

soon as possible and in no event later than five business days after such request or legal process is received by and known to the Security Officer. Domestic Companies shall take reasonable measures to ensure that the Security Officer will promptly learn of all such requests or submission of legal process.

3.9. Disclosure to Foreign Government Authorities. The Domestic Companies shall not, directly or indirectly, disclose or permit disclosure of, or provide access to:

- (i) Classified or Sensitive Information; or
- (ii) Subscriber Information, Transactional Data, Call Associated Data, or U.S. Hosting Data, including a copy of any Wire Communications or Electronic Communication, intercepted or acquired pursuant to Lawful U.S. Process to any foreign government, identified representative, component or subdivision thereof without satisfying all applicable U.S. Federal, state and local legal requirements pertinent thereto, and obtaining the express written consent of the USG Parties or the authorization of a court of competent jurisdiction in the United States. Any requests or any legal process submitted by a foreign government, an identified representative, a component or subdivision thereof to Domestic Companies for the communications, data or information identified in this Agreement that **is** maintained by Domestic Companies shall be referred to the USG Parties as soon as possible and in no event later than five business days after such request or legal process is received by and known to the Security Officer, unless the disclosure of the request or legal process would be in violation of an order of a court of competent jurisdiction within the United States. The Domestic Companies shall take reasonable measures to ensure that the Security Officer will promptly learn of all such requests or submission of legal process.

3.10. Notification of Access or Disclosure Requests from Foreign Non-Governmental Entities. Within thirty days of receipt, the Domestic Companies shall notify the USG Parties in writing of legal process or requests by foreign nongovernmental entities to Domestic Companies for access to or disclosure of (i) US. Hosting Data, or (ii) Domestic Communications carried by or through, in whole or in part, the Domestic Communications Infrastructure, unless the disclosure of the legal process or request would be in violation of an order of a court of competent jurisdiction within the United States.

3.11. Security of Lawful U.S. Process. The Domestic Companies shall protect the confidentiality and security of all Lawful U.S. Process served upon them and the confidentiality and security of Classified and Sensitive Information in accordance with U.S. Federal and state law or regulation and this Agreement. Information concerning Lawful U.S. Process, Classified Information, or Sensitive Information shall be under the custody and control of the Security Officer.

3.12. Disclosure of Protected Data. The Security Officer shall not directly or indirectly disclose information concerning Lawful U.S. Process, Classified Information or Sensitive Information to any third party, or to any officer, director, shareholder, employee, agent, or contractor of America Móvil, including those who serve in a supervisory, managerial or officer

role with respect to the Security Officer, except to the extent required to comply with this Agreement, unless disclosure has been approved by prior written consent obtained from the USG Parties.

3.13. Removal of Security Director or Security Officer. Any Security Officer may be removed for any reason permitted by the provisions of applicable law or under the charter of the Domestic Companies, provided that:

- (i) the removal of a Security Director or Security Officer shall not become effective until the USG Parties have received written notification of removal; a successor who is qualified within the terms of this Agreement is selected; the USG Parties receive written notice of the proposed replacement; and the USG Parties do not object to the proposed replacement within ten days of receipt of such notice; and
- (ii) notwithstanding the foregoing, however, if immediate removal of any Security Director or Security Officer is deemed necessary to prevent actual or possible violation of any statute or regulation or actual or possible damage to the Domestic Companies, the individual may be temporarily suspended, pending written notification to the USG Parties, and removed upon the approval by the USG Parties.
- (iii) In no event shall a vacancy for the position of Security Director or Security Officer exist for a period of more than thirty days before Domestic Companies nominate a qualified candidate to fill such vacancy.

3.14. Point of Contact. Within fourteen days after the Closing Date, the Domestic Companies shall designate in writing to the USG Parties at least one nominee already holding a U.S. security clearance, or reasonably believed to be eligible for such a clearance, to serve as a primary point of contact within the United States with the authority and responsibility for accepting and overseeing the carrying out of Lawful U.S. Process. The point of contact shall be assigned to the Domestic Companies' office(s) in the United States, shall be available twenty-four hours per day, seven days per week and shall be responsible for accepting service and maintaining the security of Classified and Sensitive Information and any Lawful U.S. Process in accordance with the requirements of U.S. law and this Agreement. The Domestic Companies shall promptly notify the USG Parties of any change in such designation. The Domestic Companies shall cooperate with any request by a U.S. federal, state or local government entity within the United States that a further background check or further security clearance process be completed for a designated point of contact.

3.15. Screening of Additional Personnel. The Domestic Companies shall implement a thorough screening process through a reputable third party to ensure compliance with all personnel screening requirements agreed to by the Domestic Companies and the USG Parties, which includes screening for any existing or newly hired personnel (such personnel, upon completion of screening procedures, to be considered "Screened Personnel"):

- (i) whose position involves access to the Domestic Communications Infrastructure that enables those persons to monitor the content of Wire or Electronic Communications (including in electronic storage);
- (ii) whose position allows access to Transactional Data, Call Associated Data or Subscriber Information; and
- (iii) all persons who have access to Sensitive Information or USG Facilities or premises; and
- (iv) all security personnel

3.16. Screening Process Requirements. The screening process undertaken pursuant to this Section shall follow the guidance to U.S. Government agencies for screening civilian Federal employees in Executive Order 10450, and shall specifically include a background and financial investigation, in addition to a criminal records check.

- (i) The Domestic Companies shall consult with the USG Parties on the screening procedures utilized by the reputable third party and shall provide to the USG Parties a list of the positions subject to screening within sixty days of the Closing Date. The Domestic Companies shall utilize the criteria identified pursuant to Section 3.15 of this Agreement to screen personnel, shall report the results of such screening on a regular basis to the Security Officer, and shall, upon request, provide to the USG Parties all the information it collects in its screening process of each candidate. Candidates for these positions shall be informed that the information collected during the screening process may be provided to the U.S. Government, and the candidates shall consent to the sharing of this information with the U.S. Government.
- (ii) The Domestic Companies will cooperate with a request by the USG Parties or any U.S. Government agency desiring to conduct any further background checks.
- (iii) Individuals who are rejected pursuant to such further background checks by the USG Parties for the screening requirements of this Agreement will not be hired or, if they have begun their employment, will be immediately removed from their positions or otherwise have their duties immediately modified so that they are no longer performing a function that would require screening under this Section. The Domestic Companies will notify the USG Parties of the transfer, departure, or job modification of any individual rejected because of the screening conducted pursuant to this Agreement within seven days of such transfer or departure, and shall provide the USG Parties with the name, date of birth and social security number of such individual.
- (iv) The Domestic Companies shall provide training programs to instruct Screened Personnel as to their obligations under the Agreement and the maintenance of their trustworthiness determination or requirements otherwise agreed. The Domestic Companies shall monitor on a regular basis the status of Screened

Personnel, and shall remove personnel who no longer meet the Screened Personnel requirements.

- (v) The Domestic Companies shall maintain records relating to the status of Screened Personnel, and shall provide these records, upon request, to any or all of the USG Parties.

3.17. Notification of Changes to Corporate Leadership. Except as set out below, the Companies will provide at least thirty days advance written notice to the USG Parties of any proposed replacement with a Foreign Person of a member of the Board of Directors or senior management at the Vice President level or above of any of the companies incorporated in the United States. In exigent circumstances, such as the acquisition of TELPRI to be consummated on the Closing Date, the Companies agree to provide written notice to the USG Parties of the replacement of any members of the Board or senior management with a Foreign Person as soon as practicable, and in no case less than 10 business days after the replacement is effectuated. This notice shall include sufficient information to confirm the identity of the proposed Foreign Person. If, within 30 days of notice, the USG Parties object to the proposed replacement with a Foreign Person of a member of the Board of Directors or of senior management the Domestic Companies, the Companies will not appoint that candidate to the position, or will remove that individual from the position.

3.18. Operational Control of the Domestic Companies' Network. Except to the extent and under conditions concurred in by the USG Parties in writing, operational control of the Domestic Communications Infrastructure, including network administration, maintenance and provisioning, will be restricted to the Domestic Companies' facilities located in the United States, and the Domestic Companies shall prohibit remote access from outside the United States, to network elements, any capabilities to conduct electronic surveillance, and operational support systems.

3.19. Notice of Obligations. The Domestic Companies shall instruct appropriate officials, employees, contractors, and agents as to the security restrictions and safeguards imposed by this Agreement.

3.20. Access to Classified or Sensitive Information. Nothing contained in this Agreement shall limit or affect the authority of a U.S. Government agency to deny, limit or revoke Domestic Companies' access to Classified and Sensitive Information under that agency's jurisdiction.

3.21. Security Meetings with the U.S. Government. Upon request by any or all of the USG Parties, the Companies shall meet with the requesting USG Parties and any other U.S. Government entity designated by the USG Parties, to discuss matters concerning the Companies' compliance with and enforcement of this Agreement and any other issue that could affect U.S. national security. The USG Parties shall coordinate such meetings and take reasonable steps so as not to place an undue economic burden on the Companies.

3.22. U.S. Government Access to Facilities, Records and Personnel. Upon forty-eight hours prior written request from the USG Parties, the Domestic Companies shall provide access to all records requested and/or physical access to facilities and personnel requested. The Companies

may request a meeting to discuss the scope of the U.S. Government agency's request or other reasonable concerns, and the U.S. Government agency shall meet with the Companies as soon as possible, but the meeting request shall not excuse the Domestic Companies' obligation to comply within the forty-eight hours.

3.23. Establishment of Security Committee of TELPRI Board. The TELPRI board of directors shall establish a Security Committee to oversee the Domestic Companies' implementation of and compliance with this Agreement. The Security Committee shall be comprised solely of directors ("Security Directors") who are U.S. citizens; who, if not already in possession of U.S. security clearances, are reasonably believed to be eligible to apply for security clearances pursuant to Executive Order 12968; and who satisfy the independent director requirements of the New York Stock Exchange. If a Security Director does not already possess a U.S. security clearance, he or she may nevertheless serve as Security Director, subject to approval by the USG Parties. The Security Committee shall supervise and report to the full TELPRI board of directors on the Domestic Companies' implementation of and compliance with this Agreement, consistent with their obligation to keep such information confidential. To perform its function, the Security Committee shall, among other things, receive reports from the Security Officer on TELPRI's compliance with this Agreement, and also shall receive a summary of any report issued pursuant to this Agreement, including the annual report on compliance issued pursuant to Section 5.5 of this Agreement. The Security Committee shall, in turn, provide general reporting to the full TELPRI Board on TELPRI's compliance with this Agreement. Not fewer than two TELPRI directors shall serve at any time as the Security Committee of the TELPRI Board.

3.23. Attendance of Security Directors at Board Meetings of Domestic Companies. A meeting of the board of a Domestic Company or of a board committee of a Domestic Company shall not occur without a Security Director in attendance, whether as a member or as an observer, unless the issues addressed at such meeting in no respect address or affect the obligations of the Domestic Company under this Agreement. In the event that the board of a Domestic Company or a board committee of a Domestic Company must address at a meeting, for reasons of exigent circumstances, an issue related to or affecting the obligations of the Domestic Company under this Agreement, and all Security Director positions are vacant at the time of such a meeting, the absence of the Security Director will not prevent the meeting provided that the Security Officer attends the meeting.

ARTICLE 4: DISPUTES AND REMEDIES

4.1. Informal Resolution. The Parties shall use their best efforts to resolve any disagreements or incidents that may arise under this Agreement. Disagreements or incidents shall be addressed, in the first instance, at the staff level by the Parties' designated representatives. Any disagreement that has not been resolved at that level shall be submitted promptly to the policy-level officials of the USG Parties, unless those higher authorized officials believe that important national interests can be protected, or the Companies believe that their paramount commercial interests can be resolved, only by resorting to the measures set forth in this Agreement. If, after meeting with higher authorized officials, any of the Parties determines that further negotiation would be fruitless, then that Party may resort to the remedies set forth in this Agreement.

4.2. Enforcement of Agreement. If any of the Parties believes that any other of the Parties has breached or is about to breach this Agreement, that Party may bring an action against the other Party for appropriate injunctive or other judicial relief. Nothing in this Agreement shall limit or affect the right of any Party to exercise any rights it may have under law or regulation or this Agreement. In the case of the USG Parties, this includes, but is not limited to, any or all of the following:

- (i) require that the Party or Parties believed to have breached, or about to breach, this Agreement cure such breach within thirty days upon receiving written notice of such breach;
- (ii) require that the Companies pay monetary damages and reasonable costs associated with compensating the USG Parties for actual and direct expenses associated with an incident of breach; provided, however, that nothing in this provision shall require the Companies to compensate the USG Parties for any indirect or consequential damages;
- (iii) **seek** civil remedies for any violation by the Companies of any U.S. law or regulation or term of this Agreement;
- (iv) pursue criminal sanctions against the Companies, or any director, officer, employee, representative, or agent of the Companies, or against any other person or entity, for violations of the criminal laws of the United States; or
- (v) seek suspension or debarment of the Companies from eligibility for contracting with the **U.S.** Government.

4.3. Security Incidents. Notwithstanding any provision of this Agreement to the contrary, the Parties agree that if any Personnel of the Companies knowingly uses or participates in the use of the Domestic Companies' Services or Products in any Security Incident, this shall constitute a breach of this Agreement.

4.4. Indemnification of Security Directors, and Security Officer. The Companies shall indemnify and hold harmless the Security Directors and the Security Officer of the Domestic Companies from any and all claims arising from, or in any way connected to, his or her performance as a Security Director or Security Officer under this Agreement except for his or her own individual gross negligence or willful misconduct. The Companies shall advance fees and costs incurred in connection with the defense of such claim. The Companies may purchase insurance to cover this indemnification.

4.5. Non-Waiver of Third Party Claims. Nothing contained in this Article 13 shall be deemed a waiver of any claims or remedies the Companies may have against third parties related to this Agreement.

4.6. Irreparable Injury. The Companies agree that the United States would suffer irreparable injury if for any reason they failed to perform any of their material obligations under this Agreement, and that monetary relief would not be an adequate remedy. Accordingly, the Companies agree that, in seeking to enforce this Agreement, the USG Parties shall be entitled, in

addition to any other remedy available at law or equity, to specific performance and immediate injunctive or other equitable relief.

ARTICLE 5: REPORTING, NOTICE AND LIMITS

5.1. **Outsourcing.** The Domestic Companies shall not outsource functions covered by this Agreement, except pursuant to an outsourcing policy to be negotiated with the USG Parties. Such policy shall include prior notice of the proposed outsourcing and the right of the USG Parties to object within thirty days of receipt of notice to the proposed outsourcing. The parties agree to exclude from this notice and approval requirement outsourcing contracts that do not provide Access to Call Associated Data, Classified Information, Customer Information, Domestic Communications, Domestic Communications Infrastructure, Sensitive Information, Subscriber Information, Transactional Data, U.S. Hosting Data, or USG Customer Information. Further:

- (i) the Domestic Companies shall ensure that the entity complies with the applicable terms of this Agreement;
- (ii) the Domestic Companies shall include in its contracts with any such entities written provisions requiring that such entities comply with all applicable terms of this Agreement (and otherwise ensure that such entities are aware of, agree to, and are bound to comply with the applicable obligations of this Agreement);
- (iii) if the Domestic Companies are reasonably uncertain as to whether an outsourcing contract is covered by the outsourcing policy, they shall include in the contract a provision that such contract may be terminated should the USG Parties object to the contract, shall notify the USG Parties within thirty days of executing the contract, which notice shall identify the name of the entity and the nature of the contract, and the **USG** Parties shall have 30 days from notice in which to object to the outsourcing contract;
- (iv) if the Domestic Companies learn that the entity or the entity's employee has violated an applicable provision of this Agreement, the Domestic Companies will notify the **USG** Parties promptly; and
- (v) with consultation and, as appropriate, cooperation with the USG Parties, the Domestic Companies will take reasonable steps necessary to rectify promptly the situation, which steps may (among others) include terminating the arrangement with the entity, including after notice and opportunity for cure, and/or initiating and pursuing litigation *or* other remedies at law and equity. Peering, interconnection and purchase of local access service shall not constitute outsourced functions for purposes of this Agreement.

5.2. **Notice of Foreign Influence.** If any member of the senior management of America Móvil or the Domestic Companies (including the Chief Executive Officer, President, General Counsel, Chief Technical Officer, Chief Financial Officer, Head of Network Operations, Head of Security, Security Officer, or other such senior officer) acquires any information that reasonably indicates that any Foreign Person has acted or plans to act in any way that interferes with or impedes the

performance by the Domestic Companies of their duties and obligations under the *terms* of this Agreement, or the exercise by the Domestic Companies of their rights under this Agreement, then such member shall promptly cause to be notified the Security Officer, who in turn shall promptly notify the USG Parties in writing of the timing and the nature of the foreign government's or entity's plans and/or actions.

5.3. Reporting of Incidents. The Domestic Companies shall take practicable steps to ensure that, if any of their officers, directors, employees, contractors or agents acquire any information that reasonably indicates: (a) a breach of this Agreement; (b) access to or disclosure of U.S. Hosting Data or Domestic Communications, or the conduct of Lawfully Authorized Electronic Surveillance, in violation of Federal, state or local law or regulation; (c) access to or disclosure of CPNI or Subscriber Information in violation of Federal, state or local law or regulation (except for violations of FCC regulations relating to improper commercial use of CPNI); or (d) improper access to or disclosure of Classified or Sensitive Information, then the individual will notify the Security Officer or a Security Director, who will in turn notify the USG Parties in the same manner as specified in Section 5.2. This report shall be made promptly and in any event no later than ten calendar days after the Domestic Companies acquire information indicating a matter described in this Section 5.3(a)-(d) of this Agreement. The Domestic Companies shall lawfully cooperate in investigating the matters described in this Section of this Agreement. The Domestic Companies need not report information where disclosure of such information would be in violation of an order of a court of competent jurisdiction in the United States.

5.4. Non-Retaliation. The Domestic Companies shall, by duly authorized action of their respective boards of directors, adopt and distribute an official corporate policy that strictly prohibits any of the Domestic Companies from discriminating or taking any adverse action against any officer, director, employee, contractor or agent because he or she has in good faith initiated or attempted to initiate a notice or report under Sections 5.2 and 5.3 of this Agreement, or has notified or attempted to notify directly the Security Officer or a Security Director named in the policy to convey information that he or she believes in good faith would be required to be reported to the USG Parties by the Security Officer or a Security Director under Sections 5.2, and 5.5 of this Agreement. Such corporate policy shall set forth in a clear and prominent manner the contact information for the Security Officer or one or more Security Directors to whom such contacts may be made directly by any officer, director, employee, contractor or agent for the purpose of such report or notification. Any violation by the Domestic Companies of any material term of such corporate policy shall constitute a breach of this Agreement.

5.5. Annual Report. On or before the last day of January of each year, the Security Officer shall submit to the USG Parties a report assessing Domestic Companies' compliance with the terms of this Agreement for the preceding calendar year. The report shall include:

- (i) a certification of compliance with this agreement, signed by the Security Officer;
- (ii) a copy of the policies and procedures adopted to comply with this Agreement;
- (iii) a summary of any known acts of material noncompliance with the terms of this Agreement, 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; and

- (iv) identification of any other issues that, to Domestic Companies' knowledge, will or reasonably could affect the effectiveness of or compliance with this Agreement. The Domestic Companies shall make available to the Security Officer, in a timely fashion, all information necessary to complete the report required by this Section.

5.6. Third Party Network Security Audits. The Domestic Companies shall retain and pay for a neutral third party telecommunications engineer to audit its operations objectively on an annual basis. The Domestic Companies shall provide notice of its selected auditor to the USG Parties, and the USG Parties shall be able to review and approve or disapprove the selected auditor and terms of reference for that auditor within thirty days of receiving notice. **In** addition, the Domestic Companies shall provide to the USG Parties a copy of its contract with the third party auditor, which shall include terms defining the scope and purpose of the audits. The USG Parties shall have the right to review and approve the terms defining the scope and purpose of the audits. Through its contract with the third party auditor, the Domestic Companies shall ensure that all reports generated by the auditor are provided promptly to the USG Parties. The Domestic Companies also will provide the USG Parties with access to facilities, information, and personnel consistent with Sections 3.22 in the event that the USG Parties wish to conduct their own audit of the Domestic Companies. The terms defining the scope and purpose of the audits shall include, at a minimum, the following:

- (i) Development of an initial vulnerability and risk assessment based on this Agreement, and a detailed audit work plan based on such assessment, which work plan may, at the discretion of the USG Parties, be subject to review and approval by the USG Parties;
- (ii) Authority for the auditor to review and analyze the Domestic Companies' security policies and procedures related to network security;
- (iii) Authority to audit the integrity of password systems, review access logs, review logs regarding any access to a capability to conduct electronic surveillance, conduct switch audits to discover "Free Line Service" accounts;
- (iv) Authority for the auditor to review and analyze relevant information related to the configuration of the Domestic Companies' network;
- (v) Authority for the auditor to conduct a reasonable number of unannounced inspections of the Domestic Companies facilities;
- (vii) Authority for the auditor to conduct a reasonable volume of random testing of network firewalls, access points and other systems for potential vulnerabilities;
- (viii) Other authorities related to network security as agreed by the parties after consultation with the USG Parties.

ARTICLE 6: FREEDOM OF INFORMATION ACT

6.1. Protection of Information. The USG Parties shall **fully** comply with any and all applicable U.S. laws and regulations relating to the confidentiality and protection of information

supplied to the USG Parties by the Companies pursuant to the terms of this Agreement, including obligations under 50 App. U.S.C. § 2170(c), 31 C.F.R. § 800.702, and 18U.S.C. § 1905.

6.2. Use of Information for U.S. Government Purposes. The USG Parties shall use information supplied to the USG Parties by the Companies pursuant to this Agreement only for the purposes set forth in this Agreement. Nothing in this Agreement shall prevent USG Parties from lawfully disseminating information as appropriate to seek enforcement of this Agreement, or from lawfully sharing information as appropriate with other federal, state, or local government authorities to protect public safety, law enforcement, or national security interests, provided that USG Parties take all reasonable measures to protect from public disclosure the information marked as described in Section 6.3.

6.3 FOIA Confidentiality To the extent so marked by the Companies, all information supplied to the USG Parties by the Companies pursuant to the terms of this Agreement contains proprietary, trade secret, commercial, or financial information, and shall be deemed voluntarily provided pursuant to a request for confidentiality, and is exempt from disclosure under the Freedom of Information Act (5 U.S.C. § 552) under Exemption (b)(4).

ARTICLE 7: FCC CONDITION AND CFIUS PROCESS

7.1 FCC Approval. Upon execution of this Agreement by all the Parties, the FBI, DOJ and DHS shall promptly notify the FCC that, provided the FCC adopts a condition substantially the same as set forth in Appendix B to this Agreement, the FBI, DOJ and DHS have no objection to the grant of America Movil's Petition for Declaratory Ruling and applications tiled with the FCC as reflected in WT Docket No. 06-113. This Section 7.1 is effective upon the Effective Date.

7.2. CFIUS. In consideration for the execution of this Agreement, the USG Parties will not make any objection to CFIUS or the President concerning the Transaction.

ARTICLE 8: MISCELLANEOUS PROVISIONS

8.1. Obligations of América Movil. America Movil shall cause the Domestic Companies to comply with this Agreement and, where appropriate, shall act through their subsidiaries to discharge their obligations under this Agreement.

8.2. Corporate Structure. As soon as possible prior to the Closing Date, the Companies shall provide to the USG Parties a description of the contemplated corporate structure of the Companies as it relates to America Móvil's ownership and control of the Domestic Companies (the "Corporate Structure"), including the placement of the subsidiaries within the Corporate Structure that will be in effect as of the Closing Date, which description shall be included as Appendix C to this Agreement. The description shall identify the parent company or companies of each of the Companies and the subsidiaries in the Corporate Structure. Following the Closing Date, the Companies shall notify the USG Parties prior to any modification of the Companies' Corporate Structure and shall provide an updated description, which shall be incorporated into Appendix C; provided that if a modification to the Corporate Structure does not change the entity that Controls the Companies, then the Companies shall notify the USG Parties of the change within 30 days after consummation of the change, which shall be incorporated into Appendix C.

8.3. Right to Make and Perform Agreement. The Parties represent that they have and shall continue to have throughout the term of this Agreement the authority and full right to enter into this Agreement and perform the obligations hereunder, and that this Agreement is a legal, valid, and binding obligation of the Parties and is enforceable in accordance with its terms.

8.4. Headings. The Article headings and numbering in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of the terms of this Agreement.

8.5. Other Laws. Nothing in this Agreement is intended to limit or alter or constitute a waiver of (a) any obligation imposed on the Companies, their Personnel, or their agents by any U.S. federal, state or local laws, (b) any enforcement authority available under any U.S. federal, state, or local laws, (c) the sovereign immunity of the United States, (d) any authority or jurisdiction the U.S. Government may possess over the activities of the Companies, their Personnel, or their agents located within or outside the United States, or (e) any rights of the Companies, their Personnel, or their agents under the U.S. Constitution, any state constitution, or any U.S. federal, state, or local laws. Nothing in this Agreement is intended to or is to be interpreted to require the Companies, their Personnel, or the USG Parties to violate any applicable U.S. law. Likewise, nothing in this Agreement limits the right of the U.S. Government to pursue criminal or civil sanctions or charges against the Companies or their Personnel in an appropriate case, and nothing in this Agreement provides the Companies, their Personnel, or their agents with any relief from civil liability in an appropriate case.

8.6. Choice of Law. This Agreement shall be governed by and interpreted according to the laws of the District of Columbia.

8.7. Forum Selection. Any civil action among the Companies and the USG Parties for judicial relief with respect to any dispute or matter whatsoever arising under, in connection with, or incident to, this Agreement shall be brought, if at all, in the United States District Court for the District of Columbia or the United States Court of Federal Claims.

8.8. Integrated Agreement. This Agreement and all appendices hereto is a fully integrated agreement.

8.9. Statutory and Regulatory References. All references in this Agreement to statutory and regulatory provisions shall include any future amendments or revisions to such provisions.

8.10. Effectiveness of Agreement. Except as otherwise specifically provided in the provisions of this Agreement, the obligations imposed and rights conferred by this Agreement shall take effect upon the Closing Date.

8.11. Modifications. This Agreement may only be modified by written agreement signed by all of the Parties.

8.12. Non-Parties. Nothing in this Agreement is intended to confer or does confer any rights on any person other than the Parties.

8.13. Changes in Circumstances for USG Parties. If, after the Closing Date, the USG Parties find that the terms of this Agreement are inadequate to address their national security concerns, then the Companies will negotiate in good faith to modify this Agreement to address those concerns. In the event that improvements in technology may enhance the efficacy of this Agreement to protect the national security, the Parties will negotiate promptly and in good faith to amend the Agreement to implement such advances.

8.14. Termination. After the Closing Date, this Agreement may be terminated at any time by a written agreement signed by the Parties.

8.15. Termination of Stock Purchase Agreement. If the Stock Purchase Agreement is terminated prior to the Closing Date, the Companies shall promptly provide written notification of such termination to the USG Parties, and upon receipt of such written notice, this Agreement shall automatically terminate.

8.16. Severability. The provisions of this Agreement shall be severable, and if any provision thereof or the application of such provision under any circumstances is held invalid by a court of competent jurisdiction, it shall not affect any other provision of this Agreement or the application of any provision thereof.

8.17. Counterparts. This Agreement may be executed in one or more counterparts, including by facsimile, each of which shall together constitute the same instrument.

8.18. Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the Parties and their respective successors and assigns; for purposes of this Agreement, successors and assigns under this Section shall include any corporate name changes.

8.19. Notices. As of the Closing Date, all notices and other communications given or made relating to this Agreement, such as a proposed modification, shall be in writing and shall be deemed to have been duly given or made as of the date of receipt and shall be sent by electronic mail and by one of the following means: (a) delivered personally, (b) sent by facsimile, (c) sent by documented overnight courier service, or (d) sent by registered or certified mail, postage prepaid, addressed to the Parties' designated representatives at the addresses shown below, unless provided otherwise in this Agreement; provided, however, that upon written notification to the Parties, any party to this Agreement may unilaterally amend or modify its designated representative information, notwithstanding any provision to the contrary in this Agreement:

For América Móvil and TELPRI:
América Movil, S.A. de C.V.:
Alejandro Cantu Jimenez
Lago Alberta 366
Torre 1, Piso 2
Colonia Anahuac
11320 Mexico, D.F.
01 1-52-525-703-3990
acantu@americamovil.com

For the U.S. Department of Justice:
Christopher P. Simkins
National Security Division
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Room 2311
Washington, D.C. 20530
(202) 305-8761 (phone)
(202) 305-8565 (fax)
christopher.simkins@usdoj.gov

For the U.S. Department of Homeland Security:
Sanchitha Jayaram
Office of the Assistant Secretary for Policy
U.S. Department of Homeland Security
NAC, Building 17-134
Anacostia Naval Annex, Bldg 410
245 Murray Lane, SW
Washington, D.C. 20528
(202) 447-3817 (phone)
(202) 282-8503 (fax)
IP-CFIUS@DHS.GOV

This Agreement is executed on behalf of the Parties:

America Móvil, S.A. de C.V.

Date:

By: _____

Name:

Title:

Telecomunicaciones de Puerto Rico, Inc.

Date:

Name:

Title:

United States Department of Justice

Date:

Name:

Title:

United States Department of Homeland Security

Date:

By: _____

Name:

Title:

APPENDIX A

TELPRI SECURITY POLICIES AND PROCEDURES

APPENDIX B

CONDITION TO FCC AUTHORIZATION

IT IS FURTHER ORDERED, that this authorization and any licenses related thereto are subject to compliance with the provisions of the Agreement attached hereto between America Movil, **S.A.** de C.V., on behalf of itself and its subsidiaries through which it will hold its interest in TELPRI (“America Movil), and Telecomunicaciones de Puerto Rico, Inc. (“TELPRI”), (collectively, “the Companies”), on the one hand, and the U.S. Department of Justice (“DOJ”), and the **U.S.** Department of Homeland Security (“DHS”), on the other (collectively, “the USG Parties”), dated _____, 2006, which Agreement is intended to enhance the protection of U.S. national security, law enforcement, and public safety. Nothing in this Agreement is intended to limit any obligation imposed by Federal law or regulation.

APPENDIX C
CORPORATE STRUCTURE

It is hereby certified that the forgoing document has been served via first-class mail or electronic mail on Friday, December 15, 2006, upon all interested parties and counsel as follows:

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APPENDIX C

(DEPARTMENT OF DEFENSE PETITION TO ATTACH CONDITIONS]

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of

Verizon Communications, Inc., Transferor

and

America Móvil, S.A. de C.V., Transferee

Applications for Consent to Transfer
of Control of Licenses and
Authorizations Pursuant to Sections
214 and **310(d)** of the Communications Act

WT Docket No. 06-113

File Nos.
0002597.508
D 4 06-1245

DEPARTMENT OF DEFENSE TO ADOPT CONDITIONS

The Department of Defense (DoD) respectfully submits this Petition to Adopt Conditions to Authorizations and Licenses ("Petition") pursuant to Section **1.41** of the Commission's rules, **47 C.F.R. § 1.41**. Through this Petition, the Department advises the Commission that they have no objection to the Commission granting its consent in the above-referenced proceeding, provided that the Commission conditions such authorization on América Móvil, S.A. de C.V. ("America Móvil"), and Telecomunicaciones de Puerto Rico, Inc. ("**TELPRI**") abiding by the commitments and undertakings set forth in their Commitment Letter, which is attached hereto as Exhibit 1.

In the above-captioned proceeding, Verizon Communications, Inc. and its indirect subsidiary Telecomunicaciones de Puerto Rico, Inc. ("TELPRI"), transferor, and America Móvil S.A. de C.V. ("América Móvil"), transferee, have submitted applications and petitions seeking the Commission's consent to Verizon Communications Inc.'s transfer to América Móvil licenses

for the Part 22 Cellular Radiotelephone Service, the Part 24 Personal Communications Service, the Part 90 Industrial/Business Pool Service, and the Part 101 Common Carrier Fixed Point-to-Point Microwave Service and Digital Electronic Message Service, as well as domestic and international Section 214 authorizations, and other assets. Because America Movil is organized under the laws of Mexico, the companies also requested a declaratory ruling that the transaction is consistent with the public interest standard of Section 310(b)(4) of the Act.

After discussions with representatives of the applicant companies, the DoD has concluded that the commitments set forth in the Commitment Letter will adequately safeguard the Department's ability to realign military installations as mandated by the 2005 Defense Base Closure and Realignment Commission,' and will ensure appropriate security controls remain in place to protect sensitive military communications: the conditions contained in the Commitment Letter demonstrate agreement by the grantees that they will undertake to meet existing TELPR subsidiaries' contractual obligations, and to support appropriate contingency responses necessary to defend America.

The Commission has consistently recognized the role that considerations of national security, law enforcement, and public safety play in the Commission's public interest determinations, and the Commission has adopted the now' long-standing policy of deference towards other federal agencies with expertise in these areas.'

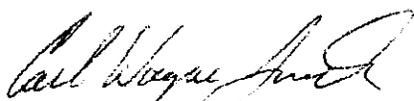
Accordingly, the Department hereby advises the Commission that it has no objection to the Commission granting the above-referenced applications, provided that the Commission

Consistent with the Defense Base Closure and Realignment Act of 1990, as amended (Public Law 101-510) November 5, 1990.

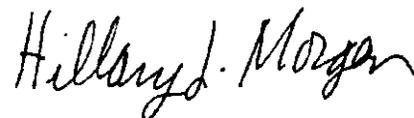
In the Matter of Rules and Policies of Foreign Participation in the U.S Telecommunications Market, 12 FCC Rcd 23,891, ¶ 61 (Nov. 1997).

conditions its consent on compliance by the grantees with the commitments set forth in the attached Letter. The Department is also withdrawing its Petition to Defer filed in this proceeding on December **14.2006**.

Respectfully submitted.



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Dated: December 19.2006

Exhibit 1



December 19, 2006

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Office of the Staff Judge Advocate
ATTN: Mr. Gregory A. Lund
2387 Hatfield Street, Building 51102
Fort Huachuca, AZ 85613-5000

Re: Application for FCC Consent to Transfer Control of Telecomunicaciones de Puerto Rico, Inc. from Verizon to América Móvil (WT Docket No. 06-113)

Dear Madam and Sirs:

By this letter, Telecomunicaciones de Puerto Rico, Inc. and its operating subsidiaries, Puerto Rico Telephone Company, Inc. and PRT Larga Distancia, Inc. ("TELPRI"), and América Móvil, S.A. de C.V. and the subsidiaries through which América Móvil will hold its interest in TELPRI ("América Móvil" and, together with TELPRI, the "Companies"), agree to undertake the following obligations with respect to the United States Department of Defense, as well as all its sub-agencies (the "DoD"), and together with other U.S. Government agencies on whose behalf DoD contracts for telecommunications services in the Commonwealth of Puerto Rico, "DoD Entity"). The obligations set forth in this letter shall be effective as of the date América Móvil consummates the acquisition of TELPRI.

1. The Companies agree to maintain all existing TELPRI security policies and procedures contained in proprietary commercial documents provided voluntarily and in confidence to DoD for a minimum of 120 days. After the acquisition of TELPRI is consummated, América Móvil agrees, upon written request of DoD, to provide DoD with access to TELPRI staff, facilities and network data in order to assess compliance with TELPRI's published security policies and processes.

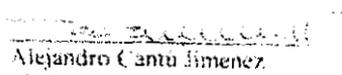
December 19, 2006

2. Except in emergency circumstances, should any of the Companies' employees require regular access to any DoD (or DoD Entity) restricted or controlled areas to initiate or maintain service (such areas to have been previously identified to the Companies' Security Officers), the Companies agree to provide each such employee's identification information, including the full name, Social Security Number (or equivalent residency authorization documentation number), as well as date and place of birth, to the previously specified security point of contact for the DoD (or DoD Entity), thirty (30) days prior to seeking initial entry to those locations.
3. After the Security Officer has been advised that a DoD Entity is the direct customer of another communications carrier, before terminating any existing access, interconnection, peering, or resale arrangement with that carrier, the Companies will provide notice to the DoD Entity, allowing thirty (30) days for the DoD Entity to respond prior to such termination.
4. The Companies understand DoD Entities may need to realign their activities in Puerto Rico in the future. TELPRI on-island business, engineering and technical staff will participate in coordination with DoD representatives for planning and implementation purposes, and will promptly provide necessary technical data to support the DoD's operational needs. Upon written request, the Companies will meet and confer with any U.S. government official designated by the DoD to address any concerns with respect to these matters.
5. Consistent with the Contract Disputes Act of 1978, 95 P.L. 563; 92 Stat. 2383 (as amended) which appears generally as 41 USC §§ 601 et seq., management of TELPRI, when advised of operational needs of DoD Entities which are direct or indirect customers of TELPRI, will meet the DoD Entity's needs, then subsequently seek resolution through the statutory process laid out in the Act.

The Companies understand that, upon execution of this letter, the DoD shall notify the Federal Communications Commission ("FCC") that the DoD has no objection to the FCC's grant of the applications referenced above.

Respectfully Submitted,

América Móvil, S.A. de C.V.


Alejandro Cantu Jimenez,
Title: General Counsel