



United States of America
FEDERAL TRADE COMMISSION
East Central Region

1111 Superior Avenue, Suite 200
Cleveland, Ohio 44114
(216) 263-3455

Jon Miller Steiger
Director

March 17, 2023

CEASE AND DESIST DEMAND

VIA EMAIL TO:
steven.augustino@nelsonmullins.com

Business Telecommunications Services, Inc.
Rafael Olloqui, CEO
2620 SW 27th Avenue
Miami, FL 33133
c/o Steven Augustino, Registered Agent

We have determined that Business Telecommunications Services, Inc. is apparently routing and transmitting illegal robocall traffic, directly or indirectly, for entities involved in the following campaigns:

- Amazon-AuthorizeOrder
- Amazon-AuthorizeOrder-P3
- Amazon-SuspiciousCharge-P1
- Chinese-ExpressReturn
- Chinese-PackageDelivery
- Financial-Impers-4
- LegalDept-Action-P1
- SSA-P1-TexasFraud (GovtImpers)
- Utility-30MinDisconnect

More specifically, our investigation revealed that Business Telecommunications Services, Inc. apparently routed and transmitted illegal robocalls, as set forth in Attachment A.

The Federal Trade Commission (FTC) works closely with USTelecom's Industry Traceback Group (ITG), which is the registered industry consortium selected pursuant to the TRACED Act to conduct tracebacks.¹ Between April 19, 2022, and January 19, 2023, ITG investigated 34 prerecorded voice message calls that law enforcement, voice service providers using honeypots (i.e., unassigned numbers held by providers to detect illegal robocalls), and

¹ See Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act, Pub. L. No. 116-105, 133 Stat. 3274, Sec. 13(d) (2019) (TRACED Act).

customers of YouMail had flagged as illegal robocalls made without consent of the called party.² ITG conducted tracebacks and determined that Business Telecommunications Services, Inc. routed and transmitted the calls. ITG previously notified you of these calls and provided you access to supporting data identifying each call—including a recording of the illegal robocall—as indicated in Attachment A. Further, the numerous traceback notices directed to Business Telecommunications Services, Inc. indicate that you are apparently routing and transmitting illegal robocall traffic knowingly. **IF YOU ARE ENGAGED IN THESE ACTIVITIES, THEN YOU MUST IMMEDIATELY CEASE AND DESIST FROM ENGAGING IN THEM.**

The FTC, the nation’s consumer protection agency, enforces the Federal Trade Commission Act (FTC Act), 15 U.S.C. § 45 et seq., which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces the Telemarketing Sales Rule (TSR), 16 C.F.R. Part 310, which prohibits deceptive and abusive telemarketing practices. Section 310.3(b) of the TSR prohibits “assisting and facilitating” certain specified conduct.³ Under that provision, it is unlawful for any person or entity to “provide substantial assistance or support to any seller or telemarketer when that person knows or consciously avoids knowing that the seller or telemarketer is engaged in any act or practice that violates Sections 310.3(a), (c), or (d), or Section 310.4 of this Rule.” These Sections prohibit, among others, the following conduct:

- Making a false or misleading statement to induce any person to pay for goods or services or to induce a charitable contribution (16 C.F.R. § 310.3(a)(4));
- Misrepresenting a seller or telemarketer’s affiliation with any government entity (16 C.F.R. § 310.3(a)(2)(vii));
- Transmitting false or deceptive caller ID numbers (16 C.F.R. § 310.4(a)(8));
- Initiating or causing the initiation of calls that deliver prerecorded messages,⁴ unless the person called provided the seller express written permission to call (16 C.F.R. § 310.4(b)(1)(v)); and
- Initiating or causing the initiation of telemarketing calls to numbers listed on the National Do Not Call Registry, unless the person called provided express written permission to receive calls from the seller or the seller had an existing business relationship with the person called (16 C.F.R. § 310.4(b)(1)(iii)(B)).

The FTC can obtain civil penalties for TSR violations. Each illegal call is subject to a maximum civil penalty of \$50,120. *See* 16 C.F.R. § 1.98. In addition, a violation of the TSR is a violation of Section 5 of the FTC Act. *See* 15 U.S.C. §§ 6102(c), 57a(d)(3), 45(a). Accordingly, the FTC has authority to seek both preliminary and permanent injunctive relief to address TSR violations. *See* 15 U.S.C. § 53(b). The FTC may also seek the refund of money or payment of damages to address TSR violations. *See* 15 U.S.C. § 57b(b).

² *See* 16 C.F.R. § 310.4(b)(1)(v).

³ A copy of the TSR is attached as Attachment B.

⁴ These calls are often referred to as “robocalls.”

Combatting illegal telemarketing is a top priority for the FTC, with a special emphasis on halting illegal robocalls.⁵ We want you to be aware that the FTC has, for example, brought assisting and facilitating claims against technology companies that knowingly provided software and servers used by illegal robocallers, even though these technology companies did not contract directly with the illegal robocallers. *See FTC v. James B. Christiano*, Case No. 8:18-cv-00936 (C.D. Cal. May 31, 2018).

We also bring to your attention that the FTC has sued VoIP service providers for allegedly violating the TSR. In *FTC v. Educare*, the FTC alleged that defendant Globex Telecom, Inc. assisted and facilitated telemarketers it knew, or consciously avoided knowing, were violating the TSR's prohibitions on calls delivering prerecorded messages. *See FTC v. Educare Centre Services, Inc.*, No. 3:19-cv-00196-KC (W.D. Tex. Dec. 3, 2019).⁶ In September, 2020, Globex Telecom and its associates agreed to pay \$2.1 million to settle the FTC lawsuit, and Globex Telecom's former CEO and President was banned from telemarketing to the U.S. and was subject to a permanent court order.⁷ Similarly, in *FTC v. Alcazar Networks, Inc.*, the FTC alleged that Alcazar Networks, Inc. and its founder and sole owner assisted and facilitated telemarketers responsible for tens of millions of illegal telemarketing calls, including robocalls and spoofed calls that displayed "911" as the caller ID. *See FTC v. Alcazar Networks Inc., et al.*, No. 6:20-cv-2200 (M.D. Fla. Dec. 3, 2020).⁸ As part of their settlement with the FTC in January 2021, the defendants agreed to a permanent injunction that prohibits similar misconduct in the future and requires them to screen and monitor their customers, as well as imposing a monetary penalty.⁹

The FTC has business educational materials that can assist you in complying with the TSR. *See* <https://www.ftc.gov/tips-advice/business-center/guidance/complying-telemarketing-sales-rule>.

In addition to FTC regulations and the FTC's actions against providers of VoIP services, you should also be aware that the United States Department of Justice (DOJ), state attorneys general, and other agencies have brought civil actions against VoIP companies and their owners. In two cases, DOJ alleged that the defendants were committing and conspiring to commit wire fraud by knowingly transmitting robocalls that impersonated federal government agencies.¹⁰ In

⁵ In 2022, the FTC received more than 2.7 million complaints about unwanted calls, including more than 1.61 million robocall complaints. The FTC maintains an interactive Tableau Public web page that publishes details about do not call complaints on a quarterly basis. *See* <https://public.tableau.com/profile/federal.trade.commission#!/vizhome/DoNotCallComplaints/Maps>.

⁶ A copy of the FTC's Amended Complaint is attached as Attachment C.

⁷ *See* <https://www.ftc.gov/news-events/press-releases/2020/09/globex-telecom-associates-will-pay-21-million-settling-ftcs-first>.

⁸ A copy of the FTC's Complaint is attached as Attachment D.

⁹ *See* <https://www.ftc.gov/news-events/press-releases/2020/12/ftc-takes-action-against-second-voip-service-provider>.

¹⁰ *See* <https://www.justice.gov/opa/pr/department-justice-files-actions-stop-telecom-carriers-who-facilitated-hundreds-millions>.

August 2020, a federal district court entered a permanent court order barring the defendants from conveying telephone calls into the U.S. telephone system.¹¹ State cases have had similar impacts.¹²

Within three business days, please send a message to FTC attorneys Fil Maria de Banate and Christian M. Capece, via electronic mail at fdebanate@ftc.gov and ccapece@ftc.gov, certifying that Business Telecommunications Services, Inc. has ceased engaging in the activities described above that may subject it to liability under the TSR or the FTC Act. Please direct any inquiries regarding this letter to Mr. de Banate and Mr. Capece by email or by telephone at 216.263.3413 or 216.263.3419.

Sincerely,

JONATHAN STEIGER
Digitally signed by
JONATHAN STEIGER
Date: 2023.03.17
12:52:35 -04'00'

Jon Miller Steiger
Director

Enclosures:

- Attachment A (Chart of illegal robocalls)
- Attachment B (TSR)
- Attachment C (*Educare* Amended Complaint)
- Attachment D (*Alcazar* Complaint)

¹¹ See <https://www.justice.gov/opa/pr/district-court-enters-permanent-injunction-shutting-down-telecom-carriers-who-facilitated>.

¹² For example, the Vermont and Michigan Attorneys General have brought successful actions against VoIP providers who route scam robocall traffic. See <https://ago.vermont.gov/blog/2022/08/02/vermont-joins-nationwide-anti-robocall-task-force>; <https://www.michigan.gov/ag/news/press-releases/2020/08/07/ag-nessel-announces-settlement-eliminating-telecom-carrier-responsible-for-illegal-robocalls>; https://www.michigan.gov/documents/ag/Assurance_of_Voluntary_Compliance_-_All_Access_Telecom_FINAL_9-11-20_702047_7.pdf.

ATTACHMENT A

Date of ITG Notification	Call Date	Caller ID	Robocall Campaign Identifier	Link to Robocall Recording	Potential Violation
1/19/2023	1/18/2023	9164304960	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1211775	16 C.F.R. 310.4(b)(1)(v)
12/15/2022	12/13/2022	2103275525	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1175822	16 C.F.R. 310.4(b)(1)(v)
12/15/2022	12/12/2022	2102902148	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1175828	16 C.F.R. 310.4(b)(1)(v)
12/1/2022	11/30/2022	6098186754	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1157287	16 C.F.R. 310.4(b)(1)(v)
12/1/2022	11/30/2022	6156702634	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1157297	16 C.F.R. 310.4(b)(1)(v)
11/30/2022	11/29/2022	9173316397	Chinese-PackageDelivery-P3	https://portal2.tracebacks.org/api/public/attachments/1155333	16 C.F.R. 310.4(b)(1)(v)
11/11/2022	11/9/2022	4122770516	Financial-Impers-4	https://portal2.tracebacks.org/api/public/attachments/1125248	16 C.F.R. 310.4(b)(1)(v)
11/3/2022	11/1/2022	2065848384	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1114587	16 C.F.R. 310.4(b)(1)(v)
10/27/2022	10/26/2022	6143001595	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1100696	16 C.F.R. 310.4(b)(1)(v)
10/27/2022	10/25/2022	8322237284	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1100706	16 C.F.R. 310.4(b)(1)(v)
10/4/2022	10/3/2022	8464334653	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1054675	16 C.F.R. 310.4(b)(1)(v)
10/4/2022	10/3/2022	4350436821	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1054684	16 C.F.R. 310.4(b)(1)(v)
10/4/2022	10/3/2022	8553807236	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1054686	16 C.F.R. 310.4(b)(1)(v)
9/27/2022	9/24/2022	5756269572	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1047877	16 C.F.R. 310.4(b)(1)(v)
9/16/2022	9/14/2022	8436445394	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1037787	16 C.F.R. 310.4(b)(1)(v)

9/16/2022	9/13/2022	7736828352	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1037793	16 C.F.R. 310.4(b)(1)(v)
9/15/2022	9/13/2022	6015898361	Chinese-PackageDelivery	https://portal2.tracebacks.org/api/public/attachments/1034902	16 C.F.R. 310.4(b)(1)(v)
9/15/2022	9/14/2022	5706609923	Amazon-SuspiciousCharge-P1	https://portal2.tracebacks.org/api/public/attachments/1036336	16 C.F.R. 310.4(b)(1)(v)
9/14/2022	9/13/2022	4255915924	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1034849	16 C.F.R. 310.4(b)(1)(v)
9/14/2022	9/11/2022	6173332540	Chinese-ExpressReturn	https://portal2.tracebacks.org/api/public/attachments/1034914	16 C.F.R. 310.4(b)(1)(v)
8/29/2022	8/27/2022	7408778062	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1017752	16 C.F.R. 310.4(b)(1)(v)
8/29/2022	8/28/2022	6142036036	Utility-30MinDisconnect	https://portal2.tracebacks.org/api/public/attachments/1017758	16 C.F.R. 310.4(b)(1)(v)
8/23/2022	8/22/2022	3305644825	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1006864	16 C.F.R. 310.4(b)(1)(v)
8/23/2022	8/21/2022	4434682124	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1006880	16 C.F.R. 310.4(b)(1)(v)
8/23/2022	8/22/2022	3052998869	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/1006882	16 C.F.R. 310.4(b)(1)(v)
8/18/2022	8/16/2022	9548801423	Amazon-AuthorizeOrder-P3	https://portal2.tracebacks.org/api/public/attachments/1002976	16 C.F.R. 310.4(b)(1)(v)
8/4/2022	8/3/2022	9893523753	Amazon-AuthorizeOrder	https://portal2.tracebacks.org/api/public/attachments/985297	16 C.F.R. 310.4(b)(1)(v)
6/28/2022	6/27/2022	6099322978	LegalDept-Action-P1	https://portal2.tracebacks.org/api/public/attachments/936574	16 C.F.R. 310.4(b)(1)(v)
6/28/2022	6/27/2022	6787785198	LegalDept-Action-P1	https://portal2.tracebacks.org/api/public/attachments/936578	16 C.F.R. 310.4(b)(1)(v)
6/15/2022	6/14/2022	4798715941	LegalDept-Action-P1	https://portal2.tracebacks.org/api/public/attachments/915302	16 C.F.R. 310.4(b)(1)(v)
5/24/2022	5/23/2022	5246775429	Amazon-SuspiciousCharge-P1	https://portal2.tracebacks.org/api/public/attachments/871397	16 C.F.R. 310.4(b)(1)(v)

4/20/2022	4/18/2022	8087847165	SSA-P1-TexasFraud (GovtImpers)	https://portal2.tracebacks.org/api/public/attachments/815821	16 C.F.R. 310.4(b)(1)(v)
4/19/2022	4/18/2022	8085584527	SSA-P1-TexasFraud (GovtImpers)	https://portal2.tracebacks.org/api/public/attachments/815822	16 C.F.R. 310.4(b)(1)(v)
4/19/2022	4/18/2022	8088713672	SSA-P1-TexasFraud (GovtImpers)	https://portal2.tracebacks.org/api/public/attachments/815825	16 C.F.R. 310.4(b)(1)(v)