

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

United States

(b) County of Residence of First Listed Plaintiff (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Ellen Bowden McIntyre, US Department of Justice, PO Box 386, Washington, DC 20044, 202-451-7731

DEFENDANTS

VOIP Terminator, Inc., BLMarketing, Inc., and Muhammad Usman Khan

County of Residence of First Listed Defendant Seminole (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

none, pro se representation by Muhammad Usman Khan

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

Table with columns: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, HABEAS CORPUS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, INTELLECTUAL PROPERTY RIGHTS, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District (specify), 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 15 USC §§ 45(a) & (m), 53(b) & 56(a). Brief description of cause: Defendants violated the Telemarketing Act and the Telemarketing Sales Rule by providing improper voice over internet protocol services.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE April 26, 2022 SIGNATURE OF ATTORNEY OF RECORD s/ Ellen Bowden McIntyre

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.
 Original Proceedings. (1) Cases which originate in the United States district courts.
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.
PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

**UNITED STATES DISTRICT COURT
IN THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

VOIP TERMINATOR, INC., a corporation,

BLMARKETING, INC., a corporation, and

MUHAMMAD USMAN KHAN, individually and
as an officer of VOIP TERMINATOR, INC. and
BLMARKETING, INC.,

Defendants.

Case No. _____

**COMPLAINT FOR PERMANENT
INJUNCTION, CIVIL PENALTIES,
AND OTHER RELIEF**

Plaintiff, the United States of America, acting upon notification and authorization to the Attorney General by the Federal Trade Commission (“FTC”), pursuant to Section 16(a)(1) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 56(a)(1), for its Complaint alleges:

1. Plaintiff brings this action under Sections 5(a), 5(m)(1)(A), 13(b) and 16(a) of the FTC Act, 15 U.S.C. §§ 45(a), 45(m)(1)(A), 53(b) and 56(a), and Section 6 of the Telemarketing and Consumer Fraud and Abuse Prevention Act (“Telemarketing Act”), 15 U.S.C. § 6105, which authorize the FTC to seek, and the Court to order, permanent injunctive relief, monetary relief, and other equitable relief from Defendants for their violations of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC’s Telemarketing Sales Rule (“TSR” or “Rule”), as amended, 16 C.F.R. Part 310.

SUMMARY OF CASE

2. At all times material to this Complaint, Defendants provided Voice over Internet Protocol (“VoIP”) services, which enable transmission of telephone calls over the internet.

3. Defendants assisted and facilitated violations of the TSR by continuing to provide VoIP services to their customers even after knowing or consciously avoiding knowing their customers were using Defendants’ services to initiate calls that: (a) were placed to numbers on the National Do Not Call Registry; (b) delivered prerecorded messages; and (c) displayed spoofed caller ID numbers, including providing services to callers perpetrating scams related to credit card interest rate reduction, tech support, and the COVID-19 pandemic.

JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345.

5. Venue is proper in this District under 28 U.S.C. § 1391 (b)(2), (c)(2), (c)(3), and (d), and 15 U.S.C. § 53(b).

DEFENDANTS

6. Defendant VoIP Terminator, Inc. (“VoIP Terminator”) is a former Florida corporation with its principal place of business at 250 International Parkway, Suite 108, Lake Mary, FL 32746. It was dissolved on May 25, 2021. VoIP Terminator transacted business in this District and throughout the United States.

7. VoIP Terminator was an interconnected VoIP service provider. As an interconnected VoIP service provider, VoIP Terminator provided information services pursuant to 47 U.S.C. § 153 of the Communications Act of 1934, as amended.

8. Defendant BLMarketing, Inc. (“BLMarketing”) is a former Virginia corporation with its principal place of business at 6564 Loisdale Road, Suite 600-D, Springfield, VA 22150. It was administratively terminated on January 31, 2020. BLMarketing transacted business in this District and throughout the United States.

9. Defendant Muhammad Usman Khan (“Khan”) is the founder, sole owner, and president of VoIP Terminator and the founder, sole owner, and director of BLMarketing. At all times relevant to this Complaint, acting alone or in concert with others, he has formulated, directed, controlled, had the authority to control, or participated in the acts and practices of VoIP Terminator and BLMarketing, including the acts and practices set forth in this Complaint. Defendant Khan resides in Islamabad, Pakistan, and in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

COMMON ENTERPRISE

10. Defendants BLMarketing and VoIP Terminator (collectively, “Corporate Defendants”) have operated as a common enterprise while engaging in the unlawful acts and practices and other violations of law alleged below. Corporate Defendants have conducted the business practices described below through interrelated companies that have common ownership, officers, managers, business functions, employees, and addresses. Because these Corporate Defendants have operated as a common enterprise, each of them is liable for the acts and practices alleged below.

COMMERCE

11. At all times relevant to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act,

15 U.S.C. § 44.

THE TELEMARKETING SALES RULE
AND THE NATIONAL DO NOT CALL REGISTRY

12. In 1994, Congress directed the FTC to prescribe rules prohibiting abusive and deceptive telemarketing acts or practices pursuant to the Telemarketing Act, 15 U.S.C. §§ 6101-6108. The FTC adopted the original TSR in 1995, extensively amended it in 2003, and amended certain provisions thereafter. 16 C.F.R. Part 310.

13. Among other things, the 2003 amendments to the TSR established a do not call registry, maintained by the FTC (the “National DNC Registry” or “Registry”), of consumers who do not wish to receive certain types of telemarketing calls. Consumers can register their telephone numbers on the Registry without charge either through a toll-free telephone call or online at donotcall.gov.

14. Consumers who receive telemarketing calls to their registered numbers can complain of Registry violations the same way they registered, through a toll-free telephone call or online at donotcall.gov, or by otherwise contacting law enforcement authorities.

15. The TSR defines “telemarketing” as a plan, program or campaign which is conducted to induce the purchase of goods or services or a charitable contribution, by use of one or more telephones and which involves more than one interstate telephone call. 16 C.F.R. § 310.2(gg).

16. Under the TSR, a “telemarketer” is any person who, in connection with telemarketing, initiates or receives telephone calls to or from a customer or donor. 16 C.F.R. § 310.2(ff).

17. A “seller” means any person who, in connection with a telemarketing transaction provides, offers to provide, or arranges for others to provide goods or services to the customer in exchange for consideration. 16 C.F.R. § 301.2(dd).

18. The FTC allows sellers, telemarketers, and other permitted organizations to access the Registry online at telemarketing.donotcall.gov, to pay any required fee(s), and to download the numbers not to call.

19. Under the TSR, an “outbound telephone call” means a telephone call initiated by a telemarketer to induce the purchase of goods or services or to solicit a charitable contribution. 16 C.F.R. § 310.2(x).

20. The TSR prohibits sellers and telemarketers from initiating an outbound telephone call to numbers on the Registry. 16 C.F.R. § 310.4(b)(1)(iii)(B).

21. As amended, effective September 1, 2009, the TSR prohibits initiating an outbound telephone call that delivers a prerecorded message to induce the purchase of any good or service. 16 C.F.R. § 310.4(b)(1)(v). Calls delivering prerecorded messages are commonly called “robocalls.”

22. The TSR requires that sellers and telemarketers transmit or cause to be transmitted the telephone number of the telemarketer and, when made available by the telemarketer’s carrier, the name of the telemarketer (“caller ID information”), to any caller identification service in use by a recipient of a telemarketing call, or transmit the customer service number of the seller on whose behalf the call is made and, when made available by the telemarketer’s carrier, the name of the seller. 16 C.F.R. § 310.4(a)(8). Transmitting inaccurate caller ID information, or causing inaccurate caller ID information to be transmitted, violates the

TSR and is commonly called “spoofing.”

23. It is a violation of the TSR for any person 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 practice that violates Sections 310.3(a), (c) or (d) or 310.4 of the TSR. 16 C.F.R. § 310.3(b).

24. Pursuant to Section 3(c) of the Telemarketing Act, 15 U.S.C. § 6102(c), and Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the TSR constitutes an unfair or deceptive act or practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

25. Section 3(c) of the Telemarketing Act, 15 U.S.C. § 6102(c), and Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3) authorize this Court to award monetary civil penalties of not more than \$43,792 for each violation of the Telemarketing Sales Rule assessed after January 13, 2021, including penalties whose associated violation predated January 13, 2021.

26. Defendants’ violations of the TSR set forth below were committed with the knowledge required by Section 5(m)(1)(A) of the FTC Act, 15 U.S.C. § 45(m)(1)(A).

DEFENDANTS’ BUSINESS ACTIVITIES

27. Voice over Internet Protocol is technology that allows a person to make voice calls using a broadband internet connection instead of a regular (analog) phone line. In other words, VoIP calls are phone calls that are sent and received over the internet. Telemarketers who blast illegal prerecorded calls and other marketing calls to millions of American consumers typically use VoIP service providers to transmit those calls. Multiple VoIP providers typically

participate in transmitting a given call from its originator (often a telemarketer) to a termination point (most often a consumer's telephone).

28. Defendants were nationwide providers of VoIP services, including "origination" and "termination" services. Origination is beginning the transmission of a call from the telemarketer or company who initiated it; termination is sending the call to its ultimate destination. Defendants also served as a mid-stream providers, transmitting calls from and to other VoIP providers.

29. In addition to transmitting calls, VoIP Terminator provided Interexchange carrier services, which give companies the ability to purchase VoIP lines ultimately destined for phone numbers in the United States, and the ability to sell those VoIP lines to their customers, such as telemarketing call centers.

30. Defendants conducted most of their business from Pakistan. Their business in Pakistan began over a decade ago. A 2020 copy of the Defendants' website (www.voipterminator.com.pk) declared that VoIP Terminator has provided "call center solutions" since 2007. The website also claimed that VoIP Terminator had "offices in all major cities of Pakistan," and that VoIP Terminator was a "leading global provider of wholesale VoIP services to businesses big and small seeking to gain a premium international reach at an incredibly low cost." Moreover, the website said, "VoIP Terminator has been producing residential solar sales leads since 2012," and that VoIP Terminator "generate[d] leads in all 50 states, Canada and Australia."

31. Defendants' business activities in the United States began when Defendant Khan created BLMarketing in 2015. BLMarketing originally sold internet marketing services, such as

search engine optimization, to its customers; it later transitioned to providing VoIP services. When he created BLMarketing, Khan, a citizen and resident of Pakistan, provided a U.S. mail drop address for himself and the corporation: 5900 Barclay Dr., Box 150261, Alexandria, Virginia 22315. Khan also purchased a virtual address: 6564 Loisdale Court, Suite 600-D, Springfield, VA 22150. Khan used these addresses to open depository accounts for BLMarketing.

32. Khan was BLMarketing's sole employee. At all times relevant to this Complaint, Khan conducted BLMarketing's business operations online from Pakistan. Khan's sister (who was also BLMarketing's Registered Agent) and nephew occasionally picked up mail for BLMarketing in Virginia, and Khan's sister would send it to Khan in Pakistan.

33. In about 2018, Khan began to transition BLMarketing's business: he started offering VoIP services to call center customers. At about the same time, Khan created VoIP Terminator in Florida. Khan designated himself as President, his wife as Vice President, and Tahir Malik ("Malik") as Registered Agent of VoIP Terminator. Malik was an acquaintance of Khan's who helped Khan incorporate and run VoIP Terminator in Florida.

34. Khan intended VoIP Terminator to enter into contracts to buy VoIP lines from larger carriers, and then sell access to those VoIP lines to offshore call center customers. VoIP Terminator's call center customers would then use those VoIP lines as a U.S. point of entry for the call centers' telemarketing calls.

35. Khan traveled to Florida in April 2018 to set up an office and bank accounts for VoIP Terminator.

36. Malik located and leased office space at 250 International Parkway, Suite 108,

Lake Mary, Florida. Both Malik's and Khan's names were on the lease.

37. During Khan's April 2018 visit, Khan and Malik went together to TD Bank and co-signed account-opening documents for VoIP Terminator.

38. As early as 2016, Khan, on behalf of BLMarketing, began purchasing VoIP lines from larger carriers in the United States. For example, on October 31, 2016, BLMarketing entered into contracts with Alcazar Networks, Inc.¹ ("Alcazar"), for direct voice termination and interexchange carrier services. Direct voice termination services allow telemarketers to use VoIP to call phone numbers in the United States. Interexchange carrier services allow smaller carriers to purchase VoIP lines from larger carriers and then either sell those lines to other carriers or telemarketing call centers.

39. VoIP Terminator offered numerous services in the telemarketing ecosystem, including predictive dialers, Private Branch Exchange hosting ("PBX"), DID/Virtual numbers, ringless voicemail, and call center leads.

40. Predictive dialer services included hosted, free open source software and wholesale termination that VoIP Terminator offered to install and host for call center customers. Wholesale termination services give call center customers access to VoIP lines to call phone numbers in the United States.

¹ Alcazar Networks Inc. is a VoIP service provider and former FTC defendant. On December 3, 2020, Alcazar settled FTC charges that it had facilitated tens of millions of illegal telemarketing phone calls, including some calls from overseas and some that displayed spoofed caller ID numbers. *See FTC v. Alcazar Networks, Inc., et al.*, No. 6:20-cv2200 (M.D. Fla. Dec. 3, 2020); *see also* Press Release, Federal Trade Commission, FTC Takes Action Against Second VoIP Service Provider for Facilitating Illegal Telemarketing Robocalls (Dec. 3, 2020), <https://www.ftc.gov/news-events/press-releases/2020/12/ftc-takes-action-against-second-voip-service-provider>.

41. PBX provides companies with local networks for their internal communications.

42. DID/Virtual numbers are the numbers that appear on consumers' phones when a call is received. Call centers purchase these numbers and route them through their dialers to phone numbers in the United States, including to cell phone numbers and Skype internet-based phone numbers.

43. Ringless voicemail services are systems VoIP Terminator's customers could purchase that would allow them to record voicemails and transmit these phone calls directly to voicemail inboxes in the United States without causing the consumers' phones to ring.

44. Call center lead services are VoIP Terminator's ability to generate leads—consumers' phone numbers—for its call center customers.

45. Providing VoIP services to a telemarketer constitutes the provision of substantial support and assistance to a telemarketer under the TSR. Providing VoIP Terminator's related services (predictive dialing, PBX hosting, ringless voicemail, DID services, etc.) also constitutes the provision of substantial support and assistance to a telemarketer under the TSR.

46. The majority, if not all, of the services VoIP Terminator provided to call centers and other customers were run out of VoIP Terminator in Pakistan.

47. The website www.voipterminator.com.pk identified the company as "VoIP Terminator Pakistan." Defendant Khan also referred to the company as "VoIP Terminator Pakistan." VoIP Terminator Pakistan is an association of persons organized under the laws of Pakistan, also doing business as Sip Tech and VT Group. Khan testified that VoIP Terminator Pakistan was still operating in Pakistan, as of July 2021, and said it was no longer providing VoIP services.

48. According to Defendant Khan, VoIP Terminator used to have approximately thirty employees in Pakistan. Approximately 75 percent of VoIP Terminator's employees in Pakistan were technical engineers. The remaining 25 percent were in administrative or sales roles.

49. In Pakistan, Khan ran most of VoIP Terminator's day-to-day operations. Khan also accompanied his salespeople when they met with prospective clients.

50. VoIP Terminator's offices in Florida and Pakistan supported each other's business operations. For example, customers would come to VoIP Terminator in Pakistan to have dialers installed for them on hosted servers. VoIP Terminator in Florida would then provide the customers with VoIP lines, which served as a point of entry to United States phones.

51. According to Khan's sworn testimony, the customers to whom VoIP Terminator provided dialers were call centers located in the Philippines, Pakistan, and Bangladesh. VoIP Terminator's call center customers were telemarketers who used the dialers provided by VoIP Terminator to call phone numbers in the United States.

52. VoIP Terminator and "VoIP Terminator Pakistan" used interchangeable addresses. For example, the website www.voipterminator.com.pk, until at least October 2020, listed its "headquarters" [sic] on its home page as its Florida address and its "offshore office" as its Pakistani address. Also, the headquarters address VoIP Terminator listed on its "Contact" page was 6564 Loisdale Court, Suite 600-D, Springfield, Virginia (BLMarketing's mail drop). Here are screenshots of the bottom of VoIP Terminator's home page and contact page:

GET TO KNOW US

- > About us
- > Terms of use
- > Contact

HEADQUARTERS

250 International Pkwy,
Suite 108, Lake Mary,
FL 32746
United States
Phone: + 1 (888) 887 7917
Web: VoIP Terminator

OFFSHORE OFFICE

TF-13, 3rd Floor, Meridian STP,
Rehmanabad, Main Murree Rd,
Satellite Town, Rawalpindi
Phone: +92 51 8356219
Email: sales@voipterminator.com
Web: VoIP Terminator Pakistan

PAYMENT METHODS

PayPal 256 Secure

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Phone	Headquarters	Offshore Office	Business Hours	Email
Office: +92 315 9652886 Offshore Office (Islamabad): +92 51 8356219	6564 Loisdale Court Suite 600-D Springfield, VA 22150 United States	Al-Habib Plaza, 2nd Floor, Adjacent to Chinar Hospital Main PWD Road, Islamabad	Monday-Friday: 7am – 7pm Saturday: 10am – 5pm Sunday: 12pm – 4pm	Sales@VoipTerminator.com Support@VoipTerminator.com HR@VoipTerminator.com

53. Khan testified that by 2018 he had stopped doing business under the name BLMarketing and transitioned his business to VoIP Terminator. However, in March 2019, Khan entered into a contract to provide VoIP services to a Pakistani call center called TransData International (“TransData”). The Master Services Agreement was between “BLMarketing, Inc. a Virginia, USA corporation (VoIP Terminator)” and TransData. BLMarketing’s address in Springfield, Virginia appears on the contract.

54. Khan did not affirmatively close BLMarketing; the State of Virginia administratively terminated the company on January 31, 2020.

*Defendants Knew, or Consciously Avoided Knowing, That They Were Assisting and
Facilitating Illegal Recorded Telemarketing Calls*

55. On March 15, 2018, the Federal Communications Commission issued a subpoena to Khan and “BL Marketing Inc. dba VOIPterminator,” requesting identifying information for a customer that routed or placed a particular “unlawful robocall” on Defendants’ network to consumers in the United States. The FCC has defined “robocalls” as “calls made with an autodialer or that contain a message made with a prerecorded or artificial voice.” *See* <https://www.fcc.gov/consumers/guides/stop-unwanted-robocalls-and-texts>.

56. Khan responded to the FCC via email on March 19, 2018. He signed a certificate of compliance as president of the company, providing the address 6564 Loisdale Court, Suite 600-D, Springfield, Virginia (BLMarketing’s address), and the email address mkhan@voipterminator.com.

57. In his response to the FCC, Khan identified the customer that routed or placed the unlawful robocall in question as Steps Ahead Global Contact Solutions (“SAGCS”) and attached a Master Services Agreement between SAGCS and “VOIPterminator – product of BL Marketing INC.” SAGCS was a call center customer of the Defendants located at 233 Campo Sioco, Baguio City, Philippines. It was operated by Philippines-based telemarketer James Joseph Servas (“Servas”). At all times relevant to this Complaint, Servas was Khan’s contact for SAGCS.

58. The Master Services Agreement between BLMarketing, Inc. and SAGCS was created by Khan on September 9, 2016. Khan emailed the Master Services Agreement to Servas’s email, tole.cosmetics@gmail.com, for Servas’s signature. On September 13, 2016, Servas and Khan electronically signed the Master Services Agreement.

59. Under the Master Services Agreement between Defendants and Servas, Defendants would supply termination, origination, and trunking telecommunications services and SMS services to SAGCS. Paragraph nine stated in part:

Customer represents that they are aware of the Do Not Call (“DNC”) laws and agrees that any Services purchased from VoIP Terminator will be in compliance with those laws. Customer is aware that VoIP Terminator offers TeleBlock service which checks all calls with the appropriate DNC lists, and that TeleBlock service has a specific charge and involves a separate TeleBlock contract. Some information regarding DNC in the U.S. is at www.ftc.gov/opa/2008/040dncfyi.shtm; in the UK is at www.tpsonline.org, and in Canada is at http://en.wikipedia.org/wiki/Canadian_Do_Not_Call_List. This information is not all-inclusive, and it is the responsibility of the Customer to comply with all applicable laws.

60. Servas’s companies never used the TeleBlock services offered by Defendants. After learning that Servas’s company was sending unlawful telemarketing calls into the United States, Khan chose not to stop transmitting Servas’s calls. Rather, Khan continued to do business with Servas until April 2020.

61. During the investigational hearing conducted by the FTC, Khan testified that probably only one percent of call center customers used TeleBlock services to check all of their calls against the DNC Registry. Khan testified that Defendants’ call center customers would represent that they were scrubbing their calls, but Khan never asked any of Defendants’ call center customers for evidence that they were excluding calls to phone numbers on any DNC lists. Khan also testified that Defendants had no policies for monitoring, reviewing, or analyzing consumer complaints reported to or published by any state or federal government agency. When Defendants received complaints, Khan was solely responsible for investigating the complaint, providing requested information, and taking responsive actions against Defendants’ call center customers, if any.

62. By no later than April 2018, Khan knew, or consciously avoided knowing, that Servas was using Defendants' services for calls that violated the TSR. According to Khan, he warned Servas that he would cancel Servas's contract if there were more complaints.

63. In August 2019, Khan received a CID from the Missouri Attorney General's Office about potential violations of Missouri law concerning illegal telemarketing, including calls to numbers on Missouri's Do Not Call list. In an email to the attorney general's office dated September 5, 2019, Khan apologized for an error in his subpoena response. He said: "I am so so sorry. Too many requests everyday [sic] regarding DNCs."

64. The FCC issued a second subpoena to Khan, as president of VoIP Terminator, on November 20, 2019. That subpoena placed Khan on notice that the FCC was still investigating the illegal conduct ("apparent unlawful robocalls") of at least two of Khan's customers, Pakistani call centers TransData and Global BPO Limited.

65. The FCC issued a third subpoena to Khan as president of VoIP Terminator on January 15, 2020. That subpoena also concerned continuing unlawful calls made by TransData.

66. USTelecom is a trade association that represents "technology providers, innovators, suppliers and manufacturers" in the broadband industry. <https://www.ustelecom.org/ustelecom-community/our-members/>. Among other things, USTelecom collects data about illegal calls, and conducts "tracebacks" to determine the path a call has taken, from its origin to its destination. When conducting a traceback inquiry, USTelecom notifies its participating members about a complaint, and requests information about the source of individual calls. It is then able to identify the route that a specific call travels, from its point of origin to its destination.

67. On March 13, 2020, USTelecom notified Defendants via email that spoofed calls playing recorded messages were being transmitted through Defendants' network offering "air duct cleaning to filter out corona virus." Air duct cleaning does not filter out coronavirus. USTelecom flagged the calls (which were made on March 12) as illegal spoofed robocalls to numbers on the DNC list.

68. The first paragraph of every USTelecom traceback inquiry states: "We are writing to request your assistance on industry efforts focused on our shared interest of protecting consumers from fraudulent, abusive or potentially unlawful robocalls." The second paragraph says:

A member of USTelecom's Industry Traceback Group recently received traffic from your network that has been deemed suspicious, and we are seeking your assistance in order to identify its origin (call details with date(s) are listed below). We request that you assist industry stakeholders who are engaging in traceback efforts in order to help identify the source of this potentially fraudulent, abusive or unlawful network traffic. To assist us in our efforts, we are asking that you respond to this traceback inquiry as soon as possible, but no later than three business days from now.

69. USTelecom identified "VoIP Terminator/BLMarketing" as the "point of entry" VoIP provider (i.e., the provider responsible for bringing a call into the United States) for several allegedly unlawful spoofed prerecorded calls that offered air duct cleaning to filter coronavirus particles (a fictitious service). The March 13, 2020 email included a traceback inquiry concerning four of the seven allegedly unlawful prerecorded calls. Here is a part of the traceback inquiry that identifies the calls and the customer's calling campaign:

Call Details for Incident #1813 (2h35m ago)

Date/Time: 2020-03-12 21:39:00 UTC
To: +13035034926
From: +17048991150
Campaign: HVAC-Corona
Offer of air duct cleaning to filter out corona virus. Recorded message played to wireless subscribers. Calls to numbers on DNC list. Caller is not named in recorded message, nor is toll-free number provided for callback. Caller-ID is spoofed and apparently random on each call. Blocking the ANI is not effective mitigation.

Call Details for Incident #1814 (2h35m ago)

Date/Time: 2020-03-12 21:40:00 UTC
To: +13035039110
From: +12512438528
Campaign: HVAC-Corona
(see description above)

70. One of the HVAC-Corona call campaigns played the following message:

Recommend sanitizing your ducts and air filters to protect your loved ones from the Corona virus. For only \$159 our highly trained technicians will do a full air duct cleaning and sanitation to make sure the air you breathe is free of bacteria. So don't hesitate. Press zero and have your duct system cleaned and sanitized now. Press nine to be removed from this list.

That recording is available at: <https://directory.youmail.com/directory/phone/6185649533>.

71. Defendant Khan was responsible for investigating and responding to traceback inquiries from USTelecom. Khan responded to the inquiries through an online portal provided by USTelecom. Recipients of traceback inquiries can input the call source details for the unlawful calls in question.

72. Through the USTelecom portal, Khan identified the customer responsible for the HVAC-Corona call campaign as a call center located in Pakistan named Oberlo Peer BPO. He also notified USTelecom that he had “advised customer to remove traffic.”

73. On March 16, 2020, Khan received a traceback inquiry for three additional calls related to the same illegal coronavirus spoofed prerecorded call campaign. Khan responded as he had before: “advised customer to remove traffic.”

74. From July 2019 to December 2020, USTelecom sent Defendants traceback notices for seventy unlawful telemarketing campaigns. Those traceback notices flagged unlawful prerecorded call campaigns involving credit card interest rate reduction, tech support scams, and COVID-related air duct cleaning, among others. Most, if not all of these campaigns, involved spoofed caller IDs. Those traceback notices flagged the following unlawful campaigns, among others:

Submit your response via our secure on-line portal:
https://traceback.ustelecom.org/Form/Login/r:sNYaumbHKbPacmvie71iibidA3RviVui3onPvD_wSJCvdYljiolvwBRKdkpJVG1?t=HHW27eqpz
(URL is a private login; do not share.)

Call Details for Incident #676 (new)

Date/Time:	2019-08-01 14:20:00 UTC
To:	+12197184311
From:	+12195165599
Campaign:	VisaAlert

Automated voice offering zero percent interest rate, identified as the alert system with Visa MasterCard Account Services. Caller ID is spoofed with a random NPA so blocking the ANI is not effective. Many caller-IDs are invalid. Millions of calls daily. Calls are illegal because they are automated calls to mobiles, they use improper caller-ID, they do not identify the caller at the beginning of the message, they do not give an operable call-back number.

Call Details for Incident #1271 (new)

Date/Time: 2019-12-10 15:50:00 UTC
 To: +17545511520
 From: +17547826996
 Campaign: CCIRR-CCHolder

Recorded voice says you qualify for zero percent interest, press 1 to complete the process. Calls using recorded voice not permitted to wireless numbers. Calling entity not identified. No toll-free call-back number left in voicemail. Calling number is neighbor-spoofed so BLOCKING THE ANI is NOT effective.

Call Details for Incident #1397 (new)

Date/Time: 2020-01-20 15:40:00 UTC
 To: +13102935443
 From: +13107921451
 Campaign: CCIRR-MemberSvcs

Recorded voice offers lower interest rate, press 1 to speak to Member Services Department. Calls using recorded voice not permitted to wireless numbers. Calling entity not identified. No toll-free call-back number left in voicemail. Calling number is neighbor-spoofed so BLOCKING THE ANI is NOT effective. This call is just one example of millions of similar calls. Originators please search your records for similar traffic and address with your customer.

Call Details for Incident #1518 (new)

Date/Time: 2020-02-05 17:27:00 UTC
 To: +13147992826
 From: +13148975406
 Campaign: CCIRR-Alice

Automated voice offers zero interest and says press 1 to connect to live rep. Unsolicited calls using automated or prerecorded voice not permitted to wireless numbers. Message does not identify calling entity. No toll-free call-back number in message. Caller-ID is neighbor-spoofed so ANI blocking is not an effective mitigation approach. Latest calls placed after provider in Pakistan indicated caller was no longer spoofing but that is not the case. This call is just one example of millions of similar calls. Originators please search your records for similar traffic and address with your customer.

Call Details for Incident #1623 (new)

Date/Time: 2020-02-15 15:59:00 UTC
 To: +13039733251
 From: +16027652334
 Campaign: TechSupport-CTL

Fraudsters spoofing a CenturyLink employee or retail number calling consumers impersonating CenturyLink as part of a Tech support scam attempting to gain control of their PC, order Amazon items, obtain financial data, install malware, etc.

Call Details for Incident #1682 (new)

Date/Time:	2020-02-18 21:55:00 UTC
To:	+12699254890
From:	+12699254444
Campaign:	CCIRR-Generic

Recorded or artificial voice offering credit card interest rate reduction service. Typically does not identify, or mis-identifies, the calling party. Frequently uses spoofed caller-ID. Often does not honor do-not-call restrictions.

Call Details for Traceback #3964 (new)

Date/Time:	2020-12-29 22:06 UTC
To:	+15088642810
From:	+17155271051
Campaign:	CCIRR - VisaAlert

FRAUD. Automated voice offering zero percent interest rate, identified as the alert system with Visa MasterCard Account Services. Caller ID is spoofed with a random NPA so blocking the ANI is not effective. Many caller-IDs are invalid. Millions of calls daily. Calls are illegal because they are automated calls to mobiles, they use improper caller-ID, they do not identify the caller at the beginning of the message, they do not give an operable call-back number. This call is just one example of millions of similar calls. Originators please search your records for similar traffic and address with your customer.

75. Khan responded to 42 of USTelecom’s traceback notices. Khan entered into USTelecom’s response portal the customer information for 18 of Defendants’ call center customers. Khan notified USTelecom that the customers were call centers in Bangladesh, Pakistan, and the United States. Khan wrote that Defendants had removed one customer in July of 2019. In February 2020, Khan told USTelecom that another customer’s unlawful robocall went through during a maintenance window for a new system Defendants were implementing. Khan also responded that Defendants removed two additional customers in April 2020 and implemented a system that automatically detects and blocks spoofing and invalid ANIs. For most of the tracebacks, though, Khan reported that Defendants simply “advised the customer[s] to remove [unlawful] traffic.” Defendants did not answer 28 of the traceback inquires.

76. USTelecom was concerned that Defendants did not stem the tide of illegal calls traversing its network. In March 2020, this prompted US Telecom to email a company that sent phone traffic through Defendants’ system. The email stated:

We are writing because your upstream customer VOIP Terminator (aka BL Marketing) continues to appear regularly in our tracebacks of apparently illegal robocalls despite our ongoing notifications to them.

...

For much of 2019, they did not respond to traceback requests. Beginning in February of 2020, they have consistently responded, indicating primarily that the calls, now associated with multiple CCIRR² campaigns as well as those associated with Tech Support scams and marketing related to Coronavirus, are coming from various customers of theirs in Pakistan. VOIP Terminator has not disputed the illegality of the calls.

77. On April 2, 2020, the FTC issued Civil Investigative Demands (“CIDs”) to VoIP Terminator and BLMarketing, requesting information about Defendants’ customers who were the subject of USTelecom tracebacks concerning, *inter alia*, the HVAC-Corona campaign. In that CID, the FTC identified the subject of the investigation as an inquiry into whether VoIP Terminator and BLMarketing had assisted and facilitated violations of the TSR regarding specific customers or subscribers.

78. In response to the April 2, 2020 CID, VoIP Terminator, through counsel, identified the entities involved with the HVAC-Corona campaign as Oberlo Peer BPO, Tole Cosmetics, and James Joseph Servas. VoIP Terminator represented that Oberlo Peer BPO used the same means and source payment as Tole Cosmetics and Servas. VoIP Terminator also represented that it had conducted business with Servas from July 2019 until August 2019, and with Tole Cosmetics from October 2019 until March 2020. VoIP terminator also produced the same 2016 Master Services Agreement—signed by Servas, using a Tole Cosmetics email address—that he had produced in response to the FCC’s 2018 subpoena.

² CCIRR stands for Credit Card Interest Rate Reduction.

79. Also, in response to the April 2, 2020 CID, VoIP Terminator produced call detail records that he represented “related to” Oberlo Peer BPO, Tole Cosmetics, and James Servas. Additional call detail records related to a separate unlawful call campaign (playing a prerecorded message offering zero-percent interest loans) perpetrated by Shirazi Quereshi, who owned TransData. An FTC analysis of the 126 million total calls in the call detail records concluded that more than 78 million of those calls were made to numbers on the DNC Registry. More than 26 million such calls were made after January 13, 2020.

80. On April 3, 2020, the FCC and FTC issued a joint warning letter to Khan and VoIP Terminator dba BLMarketing. The letter noted that Defendants were “apparently routing and transmitting Novel Coronavirus (COVID-19) scam robocall traffic originating from Oberlo Peer BPO.” It requested that Defendants cease routing and transmitting traffic from Oberlo Peer BPO immediately, and warned that if Defendants did not take steps to block traffic within 48 hours of the letter’s date, the FCC would authorize voice providers to block all calls from VoIP Terminator, and take any other steps needed to prevent further transmission of unlawful calls.

81. Khan responded to the FCC via email. He told the FCC that “the day [USTelecom] identified and requested the traceback we blocked the customer and is not allowed to route traffic anymore.” However, as stated above, USTelecom’s response portal indicates that after Khan received the first traceback notice from USTelecom concerning the HVAC-Corona spoofed call campaign, Khan advised his customer to remove the illegal traffic. He did not block the customer. Likewise, Khan testified under oath at the FTC’s investigational hearing that Defendants’ usual business practice, after receiving notice of illegal telemarketing activities, was to ask call center customers to cease their illegal conduct, not to block the customer. It was only

after Khan received the joint FCC/FTC letter threatening to block all of Defendants' calls that Defendants stopped providing VoIP services to Servas and his company, Oberlo Peer BPO.

82. Servas's telemarketing campaigns, including the spoofed recorded calls related to the coronavirus, involved millions of interstate telephone calls from 2018 to 2020. Servas's companies dialed many of these calls from foreign call centers, using internet service to connect to Defendants' VoIP servers, in order to reach consumers in Florida and through the United States.

83. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that Defendants are violating or are about to violate laws enforced by the Commission because, among other things: Defendants engaged in their unlawful acts and practices repeatedly over a period of at least three years; Defendants continued their unlawful acts or practices despite knowledge of government investigations into their conduct; Defendants stopped their unlawful conduct only after they received a Civil Investigative Demand from the FTC; Defendants remain in business in Pakistan and maintain the means, ability, and incentive to resume their unlawful conduct.

COUNT I

Assisting and Facilitating Violations of the Telemarketing Sales Rule

84. Defendants provided substantial assistance or support to "seller[s]" and/or "telemarketer[s]" engaged in "telemarketing," as defined by the TSR, 16 C.F.R. § 310.2.

85. In numerous instances, in connection with telemarketing, those sellers and/or telemarketers:

- a) Initiated or caused the initiation of outbound telephone calls to telephone numbers on the National DNC Registry to induce the purchase of goods or services, in violation of 16 C.F.R. § 310.4(b)(1)(iii)(B);
- b) Initiated or caused the initiation of outbound telephone calls that delivered prerecorded messages to induce the purchase of goods or services in violation of 16 C.F.R. § 310.4(b)(1)(v); and
- c) Failed to transmit or cause to be transmitted to caller identification services the telephone number and name of the telemarketer making the call, or the customer service number and name of the seller on whose behalf the telemarketer called, in violation of 16 C.F.R. § 310.4(a)(8).

86. At all relevant times, Defendants knew, or consciously avoided knowing, that the sellers or telemarketers for whom Defendants provided VoIP services were making the unlawful calls described in paragraphs 56 to 84, which violated § 310.4 of the TSR.

87. Defendants' substantial assistance and support, as alleged in paragraphs 27 to 84, above, violates the TSR, 16 C.F.R. § 310.3(b).

CONSUMER INJURY

88. Consumers have suffered and will continue to suffer substantial injury as a result of Defendants' violations of the TSR. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers and harm the public interest.

89. Based on the facts and violations of law alleged in this Complaint, the FTC has reason to believe that Defendants are violating or are about to violate laws enforced by the FTC, and that consumers will continue to be injured by those ongoing violations, because, among

other things: (a) Defendants have shown a pattern and practice of continuing to assist and facilitate violations of the TSR, even after learning of the violations; (b) Defendants remain active in Pakistan under the same brand name and maintain the means, ability, and incentive to resume their unlawful conduct; (c) Defendants have repeatedly ignored law enforcement agencies' and trade associations' warnings about illegal calls originating with their customers, and (d) Defendants have only blocked violating customers after repeated warnings from law enforcement agencies or trade associations, choosing instead to warn rather than block customers originating illegal calls.

PRAYER FOR RELIEF

Wherefore, Plaintiff requests that the Court:

- A. Award Plaintiff monetary civil penalties from each Defendant for every violation of the TSR,
- B. Enter a permanent injunction to prevent future violations of the FTC Act and the TSR by Defendants,
- C. Award other relief within the Court's power to grant, and
- D. Award any additional relief as the Court determines to be just and proper.

Respectfully submitted,

Dated: April 26, 2022

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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing is being served by electronic mail and U.S. Mail on April 26, 2022 to the following:

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