



United States of America
FEDERAL TRADE COMMISSION
East Central Region

August 23, 2022

CEASE AND DESIST DEMAND

VIA EMAIL TO:
alex.valencia@lingo.com

Matrix Telecom, LLC
c/o Alex Valencia, Vice President
400 East Las Colinas Boulevard, Suite 500
Irving, TX 75039

We have determined that Matrix Telecom, LLC is apparently routing and transmitting illegal robocall traffic, directly or indirectly, for entities involved in the following campaigns:

- Amazon imposter – authorized order
- Amazon imposter – suspicious charge
- Apple imposter – iCloud account breached
- DirecTV imposter – discount
- Government imposter – Customs and Border Protection
- Government imposter – Social Security Administration
- Law enforcement or legal action notice
- Utility provider imposter – disconnection

More specifically, our investigation revealed that Matrix Telecom, LLC 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 February 4, 2021 and July 19, 2022, ITG investigated 49 prerecorded voice message calls that law enforcement, voice service providers using honeypots (i.e., unassigned numbers held by providers to detect illegal robocalls), and customers of YouMail had flagged as illegal robocalls made without consent of the called party.² ITG conducted tracebacks and determined that Matrix Telecom, LLC routed and transmitted the

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).

² See 16 C.F.R. § 310.4(b)(1)(v).

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 August 2020, a federal district court entered a permanent court order barring the defendants from

<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>.

ATTACHMENT A

Date of ITG Notification	Date of Call	Caller ID	Robocall Campaign Identifier	Link to Robocall Recording	Potential Violation
7/19/2022	7/18/2022	8004213270	Discount-DirecTV50	https://portal.tracebacks.org/api/public/attachments/961432	16 C.F.R. § 310.4(b)(1)(v)
6/17/2022	6/15/2022	7059579284	Amazon-AuthorizeOrder	https://portal.tracebacks.org/api/public/attachments/917070	16 C.F.R. § 310.4(b)(1)(v)
5/25/2022	5/23/2022	8442324133	Discount-DirecTV50	https://portal.tracebacks.org/api/public/attachments/872738	16 C.F.R. § 310.4(b)(1)(v)
5/4/2022	5/2/2022	7137204408	SSA-P1-TexasFraud (GovtImpers)	https://portal.tracebacks.org/api/public/attachments/833937	16 C.F.R. § 310.4(b)(1)(v)
5/3/2022	5/2/2022	8607431064	LegalDept-Action-P1	https://portal.tracebacks.org/api/public/attachments/832644	16 C.F.R. § 310.4(b)(1)(v)
5/3/2022	5/2/2022	8703506854	LegalDept-Action-P1	https://portal.tracebacks.org/api/public/attachments/832638	16 C.F.R. § 310.4(b)(1)(v)
4/28/2022	4/26/2022	4104802099	LegalDept-Action-P1	https://portal.tracebacks.org/api/public/attachments/826868	16 C.F.R. § 310.4(b)(1)(v)
4/27/2022	4/25/2022	8176625506	SSA-P1-TexasFraud (GovtImpers)	https://portal.tracebacks.org/api/public/attachments/825247	16 C.F.R. § 310.4(b)(1)(v)
4/14/2022	4/13/2022	4703432270	SSA-Suspended	https://portal.tracebacks.org/api/public/attachments/810049	16 C.F.R. § 310.4(b)(1)(v)
4/14/2022	4/13/2022	4026391845	SSA-Suspended	https://portal.tracebacks.org/api/public/attachments/810047	16 C.F.R. § 310.4(b)(1)(v)
3/30/2022	3/29/2022	8457415478	Amazon-SuspiciousCharge-P1	https://portal.tracebacks.org/api/public/attachments/788977	16 C.F.R. § 310.4(b)(1)(v)
3/29/2022	3/25/2022	2392743123	SSA-Suspended	https://portal.tracebacks.org/api/public/attachments/787210	16 C.F.R. § 310.4(b)(1)(v)
3/29/2022	3/28/2022	5133245221	SSA-Suspended	https://portal.tracebacks.org/api/public/attachments/787206	16 C.F.R. § 310.4(b)(1)(v)
3/29/2022	3/25/2022	8086853429	SSA-Suspended	https://portal.tracebacks.org/api/public/attachments/787202	16 C.F.R. § 310.4(b)(1)(v)
61-1.245 TD-.0001 Tc-.0004 Tc	3/29/2022	48.3683 -1.885 TD-.0007 Tc0 Tc		https://portal.tracebacks.org/api/public/attachments/1816.3(3/25/20.00025/cTI3.8	





9/16/2021	9/14/2021	8177359573	CBP-GovtImpers	https://portal.tracebacks.org/api/public/attachments/453391	16 C.F.R. § 310.4(b)(1)(v)
4/5/2021	4/2/2021	9292729625	SSA-Suspended	https://portal.tracebacks.org/api/public/attachments/88357	16 C.F.R. § 310.4(b)(1)(v)
4/1/2021	3/31/2021	2023971980	SSA-P1-BenefitsCanceled (GovtImpers)	https://portal.tracebacks.org/api/public/attachments/84210	16 C.F.R. § 310.4(b)(1)(v)
2/4/2021	2/2/2021	8556328879	Apple-iCloud-AccountBreached	https://portal.tracebacks.org/api/public/attachments/31932	16 C.F.R. § 310.4(b)(1)(v)