

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
VEZA Telecom, Inc.)	File No.: EB-TCD-16-00021653
)	FRN: 0016898017

ADMONISHMENT ORDER

Adopted: May 16, 2016

Released: May 16, 2016

By the Division Chief, Telecommunications Consumers Division:

I. INTRODUCTION

1. We hereby admonish VEZA Telecom, Inc. (VEZA or Company) for failing to comply with a Federal Communications Commission (FCC or Commission) subpoena to produce certain information and documents. The document request was in connection with an Enforcement Bureau (Bureau) investigation into the Company's compliance with the Communications Act (Act) and the Commission's rules (Rules) regarding potential violations of Sections 201(b) and 258 of the Act and Section 64.1120 of the Rules regarding slamming and cramming. VEZA's failure to respond properly to a Commission order exhibits contempt for the Commission's authority and threatens to compromise the Commission's ability to investigate violations of law. In light of VEZA's claim that it is no longer in business and that it has surrendered its International Section 214 authorization, however, we take this step of admonishing VEZA rather than imposing a forfeiture.

II. BACKGROUND

2. VEZA is a non-facilities based interexchange carrier that was authorized to provide domestic and international long distance telecommunications service.¹ When the Bureau issued the subpoena to VEZA on June 8, 2015, the Company had authorization under Section 214 of the Communications Act of 1934, as amended (Act), to provide resold domestic and international telecommunications services.² On July 6, 2015, VEZA filed an application with the Commission requesting authority to discontinue domestic telecommunications services.³ On August 13, 2015, VEZA notified the Commission that it was surrendering its International Section 214 authorization.⁴

¹ VEZA's address of record is 11205 Alpharetta Hwy, Suite E3, Roswell, Georgia 30076.

² See 47 U.S.C. § 214; *International Authorizations Granted, Section 214 Applications* (47 CFR § 63.18); *Section 310(b)(4) Requests*, ITC-214-20070913-00380, Public Notice, DA 07-4194 (Oct. 11, 2007).

³ See Section 63.71 Application of VEZA Telecom, Inc., WC Docket No. 15-177 (filed July 6, 2015), available at <http://apps.fcc.gov/ecfs/comment/view?id=60001091542> (VEZA Application to Discontinue Service).

⁴ See Letter from Craig D. Dingwall, Counsel to VEZA Telecom, Inc., to Marlene H. Dortch, Secretary, FCC Office of the Secretary (Aug. 13, 2015) (VEZA Section 214 Letter); see also Letter from Craig D. Dingwall, Counsel to VEZA Telecom, Inc., to Marlene H. Dortch, Secretary, FCC Office of the Secretary (Sept. 8, 2015) (clarifying VEZA's Aug. 13, 2015 letter).

3. VEZA's sole shareholder and President is Maria Alfieri.⁵ The Bureau initiated an investigation of VEZA based on complaints from consumers alleging that VEZA charged them for long distance service without their authorization. The Bureau issued a subpoena to the Company seeking information and documents about VEZA's business, including its affiliations and practices related to the provision of telecommunications services.⁶ The subpoena also sought information and documents related to VEZA's submission of carrier change requests and charges it placed on consumers' telephone bills. The subpoena ordered the Company to produce consumer complaints and evidence that it had complied with the Commission's verification procedures prior to switching consumers' long distance service providers.

4. VEZA's response to the subpoena was due July 8, 2015. Through counsel, VEZA requested a 30-day extension of time to respond. The Bureau granted this request and extended the response due date to August 10, 2015.⁷ On August 10, 2015, VEZA responded to the subpoena, objecting to most of the requests and otherwise providing no answer or incomplete answers to the inquiries.⁸ In addition, VEZA refused to provide a sworn statement attesting to the truth and accuracy of its responses.⁹ The Bureau sent VEZA a letter on August 28, 2015, advising the Company that its response was insufficient and directing it to provide full and complete responses to the subpoena within seven days.¹⁰ On September 4, 2015, VEZA submitted a supplemental response, in which it stated that the Company "no longer provides telecommunications service, it has permanently closed its office, and it no longer has access to the resources, funds, computers and records that would enable it to provide more documents and information in response to the subpoena."¹¹ In this supplemental response, VEZA referred to its filings with the Commission seeking authority to discontinue service, but did not answer questions required by the subpoena.

III. DISCUSSION

5. We find that VEZA violated a Commission order when it failed to fully respond to a Commission subpoena to produce certain information and documents in connection with the Bureau's investigation of VEZA for potential violations of the Act and Rules related to slamming and cramming.¹² We also find that VEZA failed to submit a sworn statement with its response, attesting to the truth and accuracy of the information provided.

⁵ See Letter from Neil S. Ende, Counsel to VEZA Telecom, Inc., to Selina Ayers, Enforcement Analyst, Telecommunications Consumers Division, FCC Enforcement Bureau at 2, 5 (Aug. 10, 2015) (on file in EB-TCD-13-00007004) (Subpoena Response).

⁶ See Subpoena to VEZA Telecom, Inc., FCC File No. EB-TCD-13-00007004 (June 8, 2015) (on file in EB-TCD-13-00007004) (Subpoena).

⁷ See E-mail from Mika Savir, Attorney Advisor, Telecommunications Consumers Division, FCC Enforcement Bureau, to Craig D. Dingwall, Counsel to VEZA Telecom, Inc. (July 1, 2015; 5:45 PM EST).

⁸ See Subpoena Response at 1-23.

⁹ See *id.* at 23.

¹⁰ See Letter from Richard A. Hindman, Chief, Telecommunications Consumers Division, FCC Enforcement Bureau, to Maria Alfieri, President, VEZA Telecom, Inc., and Neil S. Ende, Counsel to VEZA Telecom, Inc. (Aug. 28, 2015) (on file in EB-TCD-13-00007004) (Warning Letter).

¹¹ See Letter from Neil S. Ende, Counsel to VEZA Telecom, Inc., to Selina Ayers, Enforcement Analyst, Telecommunications Consumers Division, FCC Enforcement Bureau (Sept. 4, 2015) (on file in EB-TCD-13-00007004) (Supplemental Subpoena Response).

¹² "Slamming" is the submission or execution of a preferred carrier change without proper authorization verified in compliance with the Commission's verification rules. See 47 U.S.C. § 258; 47 CFR § 64.1120 *et seq.* "Cramming" is the unjust and unreasonable practice of charging consumers on their telephone bill for services that they did not authorize. See 47 U.S.C. § 201(b).

6. Sections 218, 403, and 409(e) of the Act give the Commission broad power to compel carriers such as VEZA to provide information and documents in connection with Commission investigations into a carrier's compliance with the Act and Rules. Section 218 authorizes the Commission to "obtain from . . . carriers full and complete information necessary to enable the Commission to perform the duties and carry out the objects for which it was created."¹³ Section 403 states that "[t]he Commission shall have the same powers and authority to proceed with any inquiry . . . including the power to make and enforce any order or orders in the case, or relating to the matter or thing concerning which the inquiry is had."¹⁴ Section 409(e) provides that the Commission "shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, schedules of charges, contracts, agreements, and documents relating to any matter under investigation."¹⁵ Finally, the Rules authorize the Bureau to issue non-hearing related subpoenas for any records relevant to an investigation.¹⁶

7. The subpoena directed to VEZA was a legal order of the Commission to produce the requested documents and information.¹⁷ VEZA failed to provide answers and documents for most of the requests in the subpoena.¹⁸ For example, VEZA refused to provide information about many of the matters pertaining to the Bureau's investigation, including information about billing, credits, refunds, telemarketers, third party verifiers, dates of carrier change requests, and consumer complaints regarding unauthorized carrier changes.¹⁹ VEZA also failed to provide any evidence of authorized carrier changes for certain identified complainants.²⁰ Moreover, VEZA objected to and otherwise refused to answer Inquiries and Document Request nos. 12-14, 16, 18-23, 26, 31-37, and 39-43. In a letter notifying VEZA that its response was insufficient, the Bureau identified the specific questions that VEZA did not answer fully or did not answer at all.²¹ The Bureau also informed VEZA that the Company had failed to provide the required affidavit or declaration attesting to the truth and accuracy of the information provided.²²

8. We find that VEZA's failure to provide the required information and documents and subsequent assertion that it was terminating business was an effort to thwart the Bureau's investigation. At the time VEZA received the Bureau's subpoena on June 12, 2015,²³ the Company was providing telecommunications services under the Commission's authority.²⁴ VEZA requested and was granted an

¹³ *Id.* § 218.

¹⁴ *Id.* § 403.

¹⁵ *Id.* § 409(e); *see also id.* § 154(i) (authorizing the Commission to "issue such orders, not inconsistent with this [Act], as may be necessary in the execution of its functions").

¹⁶ 47 CFR § 0.111(h).

¹⁷ *See* 47 U.S.C. §§ 218, 403, 409(e). The subpoena was issued pursuant to delegated authority. *See* 47 U.S.C. § 155(c)(1)-(3). The subpoena ordered VEZA to appear before the Enforcement Bureau on July 8, 2015, to give sworn testimony concerning the matters described in the subpoena. As an alternative to appearing in person to provide testimony, VEZA was given the option to answer the inquiries in writing and provide the requested documents. *See* Subpoena at 1. VEZA elected to respond to the subpoena in writing.

¹⁸ *See* Subpoena Response at 2-23.

¹⁹ *See id.* at 6-22.

²⁰ *Id.* at 15.

²¹ *See* Warning Letter at 2.

²² *Id.*

²³ *See* certified mail receipt showing that VEZA signed for the subpoena on June 12, 2015 (on file in EB-TCD-13-00007004).

²⁴ *See* Complaint filed by P. Araiza, attaching a telephone bill with VEZA Telecom, Inc., charges dated June 17, 2015.

extension of time to respond to the subpoena. Shortly thereafter, but prior to responding to the subpoena, VEZA filed a notice of discontinuance of service with the Commission and then surrendered its authorization under Section 214 of the Act.²⁵ At the time it filed its notice of discontinuance, VEZA knew it was being investigated by the Bureau for possible violations of the Act and Rules, however, it failed to alert the Bureau or provide the Bureau with a copy of the notice at that time. Further, VEZA filed its Subpoena Response after filing its notice of discontinuance and failed to mention the discontinuance and its plans to terminate business in its response. Not until after the Bureau warned VEZA that it considered the Company's Response insufficient did VEZA claim it had terminated service and no longer had access to the "resources, funds, computers and records" necessary to enable it to respond more fully to the subpoena.²⁶ VEZA did not provide any explanation for its closure and did not give any details as to why, so soon after receipt of the Bureau's subpoena, it no longer had access to the resources, funds, computers, and records necessary to respond. VEZA's failure to retain such records constitutes a separate violation of the Commission's order.²⁷

9. In addition, VEZA failed to properly attest to the truth of the partial responses that were submitted. The subpoena provided: "If you choose to answer the inquiries in writing, we direct you to support your written responses with an affidavit or declaration under penalty of perjury, signed and dated by you, verifying the truth and accuracy of the information therein and that all of the information requested by this Subpoena in your possession, custody, control, or knowledge has been produced."²⁸ VEZA elected to answer the inquiries in writing but refused to provide the requisite affidavit or declaration verifying the truth and accuracy of the information that was provided. In blatant contradiction to the plain language of the subpoena, VEZA gave as its reason for failing to attest to the truth of its responses, stating that it "is unaware of any obligation to certify VEZA's responses in the requested format."²⁹

10. We disagree with VEZA that it was not obligated to provide a sworn statement with its responses. When the Commission conducts an investigation, the subject of the investigation may be the exclusive source of information on which the Commission must ultimately rely to determine the subject's compliance. These types of verifications can be necessary to the Commission's investigative function,³⁰ and the requirement of such verification here is within the category of acts and orders envisioned as necessary under Section 409(e) of the Act.³¹

11. Based on the forgoing, we find that VEZA's failure to provide all of the information and documents sought, including the requisite sworn statement—especially after requesting and receiving an extension of time and receiving the Bureau's notice that the initial response was insufficient—constitutes a violation of a Commission order.

²⁵ VEZA Section 214 Letter at 1.

²⁶ See Supplemental Subpoena Response at 1. VEZA also objected to the subpoena requests "to the extent that they are burdensome, moot and beyond the FCC's jurisdiction." *Id.*

²⁷ The subpoena directed VEZA to retain all responsive documents for twelve months from the date of the subpoena unless directed by the Enforcement Bureau in writing to retain the documents for some shorter period of time or until the Enforcement Bureau or Commission releases an item disposing of the issues of the investigation. See Subpoena at 9.

²⁸ Subpoena at 1-2.

²⁹ Subpoena Response at 23.

³⁰ See *SBC Communications, Inc.*, Forfeiture Order, 17 FCC Rcd 7593, 7594, para. 10 n.29 (2002) ("Attestations can be necessary to attain the level of reliability that we require to enforce the Act and our orders and rules.").

³¹ 47 U.S.C. § 409(e) ("For purposes of this Act, the Commission shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, schedules of charges, contacts, agreements, and documents relating to any matter under investigation.").

IV. CONCLUSION

12. We have determined that VEZA violated a Commission order to produce certain information and documents, accompanied by a sworn statement, in connection with a Bureau investigation. Although a monetary forfeiture is consistent with past precedent and warranted for this violation,³² in light of VEZA's claim that it has terminated business and surrendered its Section 214 authorization, we admonish VEZA for failing to comply with a Commission order.

V. ORDERING CLAUSES

13. Accordingly, **IT IS ORDERED** that VEZA Telecom, Inc. **IS ADMONISHED** for willfully violating a Commission order validly issued pursuant to delegated authority by the Enforcement Bureau in a subpoena served on VEZA Telecom, Inc. in connection with an investigation into VEZA Telecom, Inc.'s compliance with the Communications Act and Commission Rules.

14. **IT IS FURTHER ORDERED** that a copy of this Admonishment Order shall be sent by first class and certified mail, return receipt requested, to VEZA Telecom, Inc.'s attorney, Neil S. Ende, Technology Law Group, 5335 Wisconsin Ave., NW, Suite 440, Washington DC 20015.

FEDERAL COMMUNICATIONS COMMISSION

Richard A. Hindman
Division Chief
Telecommunications Consumers Division
Enforcement Bureau

³² See *Net One International, LLC*, Forfeiture Order, 29 FCC Rcd 264, 264-66, paras. 1-4 (EB 2014) (imposing \$25,000 penalty for failure to respond fully to a letter of inquiry (LOI)), *petition for reconsideration denied*, Memorandum Opinion and Order, 30 FCC Rcd 1021 (EB 2015); *1st Source Information Specialists, Inc., d/b/a Locatecell.com*, Notice of Apparent Liability for Forfeiture, 21 FCC Rcd 8193, 8196-97, para. 13 (2006), Forfeiture Order, 22 FCC Rcd 431 (2007) (imposing a forfeiture of \$97,500 for the company's failure to respond fully to an Enforcement Bureau subpoena) (*1st Source Forfeiture Order*); *BigZoo.com Corp.*, Forfeiture Order, 20 FCC Rcd 3954, 3954-55, paras. 1-4 (EB 2005) (imposing \$20,000 penalty for failure to respond to an LOI).