

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of  
  
Spatial Hover Inc

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File No.: EB-SED-26-00040749  
NAL/Acct No.: 202632100008  
FRN: 0037167046

**NOTICE OF APPARENT LIABILITY FOR FORFEITURE AND ORDER**

**Adopted: July 10, 2026**

**Released: July 10, 2026**

By the Chief, Enforcement Bureau:

**I. INTRODUCTION**

1. In this Notice of Apparent Liability for Forfeiture (NAL), the Federal Communications Commission (Commission or FCC) proposes a penalty of \$25,000 against Spatial Hover Inc (Spatial Hover or Company) for apparently willfully failing to respond to the Enforcement Bureau’s (Bureau) Letter of Inquiry (LOI) as directed. Specifically, Spatial Hover failed to respond to an LOI requesting information about whether the Company has indirectly or directly marketed within the United States any radiofrequency (RF) equipment that was added to the Covered List on December 22, 2025, as posing an “unacceptable risk to the national security of the United States or the safety and security of United States persons.”<sup>1</sup> Accordingly, Spatial Hover apparently violated a Commission order by failing to respond to the Bureau’s LOI as directed and to a subsequent letter directing Spatial Hover to reply to the LOI. Spatial Hover thus is subject to a proposed forfeiture under section 503(b)(1)(B) of the Communications Act of 1934, as amended (Act).<sup>2</sup>

2. The FCC is committed to protecting consumers in the United States and mitigating national security risks that may arise from certain entities that market RF equipment. Regulation of RF devices is a key Commission responsibility. Applicants for equipment authorizations are required to conduct due diligence in providing information to the Commission and its designees. To facilitate this process, the Commission requires that all parties abide by the Commission’s equipment authorization rules and provide full and correct information about the party’s mailing address and the physical U.S. address and email address for its designated agent. Additionally, the Commission has a duty to investigate allegations involving potential statutory and regulatory violations and will not tolerate a failure to respond to investigative inquiries, particularly when an investigation may involve risks to national security. Instead, investigated parties must reply promptly and fully to Commission inquiries and provide all responsive information in their possession and control so the Commission can ascertain whether consumers are being protected and the nation’s networks remain secure in accordance with statutory requirements and associated Commission rules.

**II. BACKGROUND**

**A. Legal Framework**

3. *Commission’s equipment authorization authority.* The Act authorizes the Commission to adopt rules, consistent with the “public interest,” governing the interference potential of devices capable

<sup>1</sup> 47 U.S.C. § 1601(b).

<sup>2</sup> See 47 U.S.C. § 503(b)(1)(B).

of emitting RF energy.<sup>3</sup> The statute prohibits the manufacture, importation, sale, offer for sale, shipment, or use of RF devices in the United States unless they comply with the Commission's equipment authorization rules.<sup>4</sup>

4. *Failure to respond to an LOI.* The Commission's authority to conduct investigations and to compel entities to provide information and documents sought during investigations is well-established.<sup>5</sup> Section 403 gives the Commission full authority to commence an investigation on its own motion and the "power to make and enforce any order or orders in the case" relating to the inquiry.<sup>6</sup> An LOI issued by the Bureau constitutes a Commission order directing the recipient to provide the specified information and documents, in the manner directed, within the stated response period.<sup>7</sup> The Commission has repeatedly taken enforcement action against entities that disregard orders to provide information related to potential violations.<sup>8</sup>

5. *National security considerations.* Pursuant to section 2 of the Secure and Trusted Communications Networks Act of 2019 (Secure Networks Act), the Commission must publish and update a "Covered List" of communications equipment and services.<sup>9</sup> The FCC's Covered List is comprised of equipment and services that have been specifically determined, by one of four enumerated sources,<sup>10</sup> to pose an unacceptable risk to the national security of the United States or the security and safety of United

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<sup>3</sup> 47 U.S.C. § 302a(a).

<sup>4</sup> 47 U.S.C. § 302a(b).

<sup>5</sup> Section 403 grants the Commission both the authority to institute inquiries and "the power to make and enforce any order or orders" relating to its inquiries into compliance with the Act. 47 U.S.C. § 403. Section 4(i) authorizes the Commission to "issue such orders, not inconsistent with this Act, as may be necessary in the execution of its functions." 47 U.S.C. § 154(i). Section 4(j) states that "[t]he Commission may conduct its proceedings in such manner as will best conduce to the proper dispatch of business and to the ends of justice." 47 U.S.C. § 154(j). Section 0.111(a)(17) of the Commission's rules delegates this authority to the Bureau. 47 CFR § 0.111(a)(17) (granting the Bureau the authority to "[i]dentify and analyze complaint information, conduct investigations, conduct external audits and collect information, including pursuant to sections 218, 220, 308(b), 403 and 409(e) through (k) of the Communications Act, in connection with complaints, on its own initiative or upon request of another Bureau or Office"). Furthermore, section 416(c) of the Act provides, "[i]t shall be the duty of every person . . . to observe and comply with such orders so long as the same shall remain in effect." 47 U.S.C. § 416(c).

<sup>6</sup> 47 U.S.C. § 403.

<sup>7</sup> See, e.g., *Eken Group Limited*, Notice of Apparent Liability for Forfeiture, 39 FCC Rcd 12990, 12994, para. 10 (2024), citing *Neon Phone Service, Inc.*, 32 FCC Rcd 7964, 7970, para. 16 (2017) (*Eken NAL*) ("It is well established that a failure to respond to a Bureau LOI [letter of inquiry] constitutes a violation of a Commission Order."); *Technical Communication Network, LLC*, Notice of Apparent Liability for Forfeiture and Order, 28 FCC Rcd 1018, 1019, para. 5 (2013) ("The LOI the Bureau directed to TCN served as a legal order of the Commission to produce the requested documents and information.").

<sup>8</sup> *Eken NAL*, 39 FCC Rcd at 12990; *ABC Fulfillment Servs. LLC d/b/a Hobbyking USA LLC & Hobbyking.com*, Forfeiture Order, 35 FCC Rcd 7441 (2020), *aff'd*, Memorandum and Order, 36 FCC Rcd 10688 (2021); *Aura Holdings of Wisconsin, Inc.*, Notice of Apparent Liability for Forfeiture, 33 FCC Rcd 3688, 3696, para. 21 (2018), *forfeiture order issued*, 34 FCC Rcd 2540 (2019); *Kenai Educational Media, Inc.*, Notice of Apparent Liability for Forfeiture, 32 FCC Rcd. 6211, 6218 (2017) (*Kenai NAL*), *consent decree ordered*, 24 FCC Rcd 4865 (2019); *SBC Commc'ns, Inc.*, Forfeiture Order, 17 FCC Rcd 7589, 7599-7600, paras. 23-28 (2002) (*SBC Forfeiture Order*); *Cellco Partnership D/B/A Verizon Wireless*, Notice of Apparent Liability for Forfeiture, 37 FCC Rcd 7799, para. 13 (EB 2022); *Net One Int'l, Net One, LLC, Farrahtel Int'l, LLC*, Forfeiture Order, 29 FCC Rcd 264, 267, para. 9 (EB 2014), *recons. denied*, Memorandum Opinion and Order, 30 FCC Rcd 1021 (EB 2015).

<sup>9</sup> Secure and Trusted Communications Networks Act of 2019, Pub. L. No. 116-124, § 2, 133 Stat. 158, 158-59 (2020) (codified as amended at 47 U.S.C. § 1601); see 47 CFR §§ 1.50002, 1.50003.

<sup>10</sup> See 47 CFR § 1.50001(b).

States persons.<sup>11</sup> On December 22, 2025, after receiving a “National Security Determination”<sup>12</sup> from an interagency body with appropriate national security expertise, the Commission’s Public Safety and Homeland Security Bureau (PSHSB) updated the Covered List to include “Uncrewed aircraft systems (UAS) and UAS critical components produced in a foreign country and all communications and video surveillance equipment and services listed in Section 1709(a)(1) of the FY25 National Defense Authorization Act (Pub. L. 118-159) (FY25 NDAA).”<sup>13</sup> In January 2026, in response to further determinations by the Department of War (DoW), PSHSB removed certain UAS and UAS critical components from the Covered List temporarily through January 2027; the removals applied to equipment on the Defense Contract Management Agency’s (DCMA) Blue UAS Cleared List and to equipment qualifying as “domestic end products” under the Buy American standard.<sup>14</sup> PSHSB later removed specific models of covered UAS and UAS critical components from the Covered List pursuant to Conditional Approvals granted by DoW for limited time periods.<sup>15</sup>

6. The Commission has a statutory obligation to regulate the nation’s communications infrastructure for, among other things, the purpose of national defense.<sup>16</sup> Given the Commission’s role in protecting the communications networks from the national security risks covered equipment and services pose, it is uniquely imperative that regulatees respond to Commission orders.<sup>17</sup> Failure to do so obstructs the Commission’s ability to investigate and, where appropriate, address these risks to national security.

## **B. Factual Background**

7. *Company and products sold in the United States.* Spatial Hover is a domestic business corporation organized under the laws of Texas designing and selling uncrewed aircraft systems (UAS)—also known as drones—in the United States.<sup>18</sup> Spatial Hover’s website markets two UAS products: the Spatial Hover E Series and the Spatial Hover T Series.<sup>19</sup> Because Spatial Hover did not respond to the Commission’s LOI, the Commission does not have access to precise information about the manner in which Spatial Hover has marketed its equipment within the United States, including its marketing

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<sup>11</sup> *Id.*

<sup>12</sup> See 47 U.S.C. § 1601(c).

<sup>13</sup> *Public Safety and Homeland Security Bureau Announces Addition of Uncrewed Aircraft Systems (UAS) and UAS Critical Components Produced Abroad, and Equipment and Services Listed in Section 1709 of the FY2025 NDAA, to FCC Covered List*, WC Docket No. 18-89, ET Docket No. 21-232, EA Docket No. 21-233, Public Notice, 40 FCC Rcd 10215, 10218 (PSHSB Dec. 22, 2025) (UAS December Public Notice). A summary of this National Security Determination is available on the Commission’s website at <https://www.fcc.gov/sites/default/files/National-Security-Determination-for-UAS.pdf> (Dec. 21, 2025).

<sup>14</sup> *Public Safety and Homeland Security Bureau Announces Exemption of Certain Uncrewed Aircraft Systems (UAS) and UAS Critical Components from FCC Covered List*, WC Docket No. 18-89, Public Notice, DA 26-22 (Jan. 7, 2026) (Second UAS Public Notice).

<sup>15</sup> For a full list of the conditional approvals, see FCC, *List of Equipment and Services Covered by Section 2 of the Secure Networks Act*, <https://www.fcc.gov/supplychain/coveredlist> (last visited June 10, 2026).

<sup>16</sup> 47 U.S.C. § 151.

<sup>17</sup> After all, as the Commission has repeatedly stated, “[i]t is obvious and unarguable that no governmental interest is more compelling than the security of the Nation.” See, e.g., *Protecting Our Communications Networks by Promoting Transparency Regarding Foreign Adversary Control*, GN Docket No. 25-166, Report and Order, para. 101, (Jan. 29, 2026) (quoting *Haig v. Agee*, 453 U.S. 280, 307 (1981)).

<sup>18</sup> Spatial Hover Inc., <https://spatialhover.com/> (last visited June 16, 2026); Texas Secretary of State, <https://www.sos.state.tx.us/corp/sosda/index.shtml> (last visited June 16, 2026).

<sup>19</sup> Spatial Hover Inc., <https://spatialhover.com/> (last visited June 16, 2026).

platforms and venues, the number of Spatial Hover products sold or when the models were marketed in the United States.

8. *Spatial Hover's address of record.* Spatial Hover applied for<sup>20</sup> and received two FCC authorizations on September 30, 2025.<sup>21</sup> For both applications, the Company submitted an "Agent Designation Attestation" identifying itself as the agent for service of process in the United States.<sup>22</sup> The Attestations listed 10415A Westpark Dr., Houston, TX 77042 as the address for service of process.<sup>23</sup> The Attestations also included the email address—[ricky@spatialhover.com](mailto:ricky@spatialhover.com)—for its U.S. agent for service of process. Each attestation was signed by Ricky Yu, Engineer.<sup>24</sup>

9. Each of the Agent Designation Attestation forms also included the following acknowledgement, identical for FCC IDs 2BQAI-S3T and 2BQAI-NRC01, acknowledging Spatial Hover's acceptance of its continuing obligation to maintain an agent for service:

The applicant acknowledges that they will maintain an agent for no less than one year after the grantee has terminated all marketing and importation or the conclusion of any Commission-related proceeding involving the equipment. The applicant further acknowledges their responsibility under CFR 47 §2.929(c) to inform the FCC whenever the agent information changes.<sup>25</sup>

This same physical address and Ricky Yu's name appear on each of the two certifications issued to Spatial Hover.<sup>26</sup>

10. *Investigative history.* In September 2025, the website, DroneXL, published an article<sup>27</sup> that linked to a GitHub repository in which security researcher Konrad Iturbe developed an automated system to detect hardware copies of certain communications and video surveillance equipment listed in

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<sup>20</sup> Spatial Hover Inc, Application for Equipment Authorization (FCC Form 731) (Sept. 30, 2025) (seeking authorization for Spatial NT Series Aircraft, Spatial N Series Aircraft, Model S3, FCC ID: 2BQAI-S3T). *See also* Spatial Hover Inc, Application for Equipment Authorization (FCC Form 731) (Sept. 30, 2025) (seeking authorization for N Series RC, Model NRC01, FCC ID: 2BQAI-NRC01 (collectively, *Spatial Hover's Applications*)).

<sup>21</sup> *See e.g.*, Spatial Hover Inc, Grant of Equipment Authorization (Sept. 30, 2025), [https://apps.fcc.gov/oetcf/tcb/reports/Tcb731GrantForm.cfm?mode=COPY&RequestTimeout=500&tcb\\_code=&application\\_id=CdxI0cgKeR33m6pddLQnMg%3D%3D&fcc\\_id=2BQAI-NRC01](https://apps.fcc.gov/oetcf/tcb/reports/Tcb731GrantForm.cfm?mode=COPY&RequestTimeout=500&tcb_code=&application_id=CdxI0cgKeR33m6pddLQnMg%3D%3D&fcc_id=2BQAI-NRC01) (granting authorization for Spatial NT Series Aircraft, Spatial N Series Aircraft, Model S3, FCC ID: 2BQAI-S3T). *See also* Spatial Hover Inc, Application for Equipment Authorization (FCC Form 731) (Sept. 30, 2025), [https://apps.fcc.gov/oetcf/tcb/reports/Tcb731GrantForm.cfm?mode=COPY&RequestTimeout=500&tcb\\_code=&application\\_id=WDJaaUC3r0cPftT13iFOmoQ%3D%3D&fcc\\_id=2BQAI-NRC01](https://apps.fcc.gov/oetcf/tcb/reports/Tcb731GrantForm.cfm?mode=COPY&RequestTimeout=500&tcb_code=&application_id=WDJaaUC3r0cPftT13iFOmoQ%3D%3D&fcc_id=2BQAI-NRC01) (granting authorization for N Series RC, Model NRC01, FCC ID: 2BQAI-NRC01 (collectively, *Spatial Hover's Authorizations*)).

<sup>22</sup> *See* 47 CFR § 2.911(d)(7) (requiring an applicant for equipment authorizations to designate an agent located in the United States for the purpose of accepting service of process). *See also, e.g.*, Letter from Spatial Hover Inc, Agent Designation Attestation, Spatial Hover Inc, to FCC Authorization and Evaluation Division (Sept. 9, 2025) (naming themselves as the contact name and Ricky Yu as the contact person) (*Spatial Hover's Agent Attestations*).

<sup>23</sup> *See Spatial Hover's Agent Attestations*.

<sup>24</sup> *See id.*

<sup>25</sup> *See id.*

<sup>26</sup> *See Spatial Hover's Authorizations*.

<sup>27</sup> DroneXL, *DJI Shell Game Exposed: Security Bot Catches DJI's Fikaxo Proxy Before Congressional Deadline* (Sept. 26, 2025), <https://dronexl.co/2025/09/26/dji-shell-game-exposed-fikaxo-proxy/> (last visited June 17, 2026); *see also* DroneXL, *Spatial Hover Emerges as Newest DJI Shell Company After Fikaxo Drone Mysteriously Migrates Between Websites*, <https://dronexl.co/2025/10/03/spatial-hover-dji-shell-company-after-fikaxo-drone/> (last visited June 17, 2026).

Section 1709 of the FY25 NDAA—equipment that would become covered communications equipment in December when the Commission updated the Covered List.<sup>28</sup> Iturbe’s system searched for devices that used a unique proprietary communication protocol and identified that Spatial Hover’s devices incorporated the same unique proprietary protocol used in the now-covered equipment.<sup>29</sup>

11. The Bureau opened an investigation and issued an LOI to Spatial Hover on May 8, 2026.<sup>30</sup> The LOI stated the Bureau was investigating potential violations of 47 U.S.C. § 302a (“Devices which interfere with radio reception”) and 47 CFR parts 1 and 2 (“Practice and Procedure” and “Frequency allocations and radio treaty matters; General rules and regulations”) and requested information to determine whether Spatial Hover’s equipment was disguised covered equipment. Specifically, the LOI stated that the Bureau was investigating “whether models of RF equipment marketed by the Company within the United States comply with recently enacted regulations.”<sup>31</sup> The LOI also directed the Company to provide a voucher for certain equipment “to determine the extent to which production of such equipment continues to comply with the data filed by the applicant or on file with the responsible party for equipment subject to Supplier’s Declaration of Conformity.”<sup>32</sup> The LOI stated that Spatial Hover had a continuing obligation to produce any and all documents and information responsive to the LOI.<sup>33</sup> The LOI also ordered Spatial Hover to provide a response within 14 calendar days after the date of the LOI, i.e., by May 22, 2026.<sup>34</sup>

12. On May 8, 2026, the Bureau transmitted the LOI by certified mail to the U.S. address for the Spatial Hover’s designated U.S. agent for service of process, which is the same physical address the Company provided for itself. On the same day, the Bureau also served the LOI by email to the email address specified in Spatial Hover’s applications for its designated U.S. agent, i.e., [ricky@spatialhover.com](mailto:ricky@spatialhover.com). The Bureau received confirmation that the emailed LOI was delivered to the Company’s email address filed with the Commission.<sup>35</sup> The return receipt for the LOI sent by certified mail shows that the LOI was delivered and signed for on May 12, 2026.<sup>36</sup> Despite the emailed copy of the LOI and the mailed copy of the LOI having been delivered, the Bureau did not receive a response to the LOI.

13. On May 29, 2026, the Bureau notified Spatial Hover of its failure to respond to the LOI and instructed it to provide a full response to the LOI within seven calendar days (i.e., by June 5, 2026).<sup>37</sup> The Bureau received confirmation that the emailed Deficiency Letter was delivered to the Company’s email address filed with the Commission<sup>38</sup> and that the copy of the Deficiency Letter sent by certified

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<sup>28</sup> GitHub, *KonradIT / dji-front-companies*, <https://github.com/KonradIT/dji-front-companies> (last visited June 17, 2026). See also UAS December Public Notice.

<sup>29</sup> *Id.*

<sup>30</sup> Letter of Inquiry from Spectrum Enforcement Division, FCC Enforcement Bureau, to Spatial Hover Inc, c/o Ricky Yu, U.S. Agent for Service of Process (on file in EB-SED-26-00040749) (Spatial Hover LOI).

<sup>31</sup> Spatial Hover LOI at 2.

<sup>32</sup> *Id.*; 47 CFR § 2.945(b)(1).

<sup>33</sup> Spatial Hover LOI at 6.

<sup>34</sup> *Id.* at 2.

<sup>35</sup> See Email Delivery Receipt, May 8, 2026 (on file in EB-SED-26-00040749).

<sup>36</sup> United States Postal Service Form 3811, signed May 12, 2026 (on file in EB-SED-26-00040749).

<sup>37</sup> Letter from Spectrum Enforcement Division, FCC Enforcement Bureau, to Spatial Hover Inc, c/o Ricky Yu, U.S. Agent for Service of Process (on file in EB-SED-26-00040749) (Deficiency Letter).

<sup>38</sup> See Email Delivery Receipt, May 29, 2026 (on file in EB-SED-26-00040749).

mail was delivered to Spatial Hover and signed for on June 1, 2026.<sup>39</sup> To date, the Bureau still has received no response to the LOI or the Bureau's Deficiency Letter.

### III. DISCUSSION

14. We find that Spatial Hover apparently willfully or repeatedly violated a Commission order by failing to respond to the Bureau's LOI. This apparent violation is punishable by a forfeiture under section 503(b)(1)(B) of the Act.<sup>40</sup> For the apparent violation at issue here, the Bureau proposes a forfeiture of \$25,000.

#### A. Spatial Hover Apparently Violated Commission Orders by Failing to Respond Timely to a Letter of Inquiry.

15. Section 503(b)(1)(B) of the Act, in part, provides that a person who willfully or repeatedly fails to comply with a Commission rule or order shall be liable for a forfeiture penalty.<sup>41</sup> A Commission LOI is an "order" under section 503(b)(1)(B).<sup>42</sup> Accordingly, recipients that fail to respond or fail to provide a complete response to a Commission LOI may be subject to a monetary forfeiture penalty.<sup>43</sup> Here, the Bureau issued the LOI on May 8, 2026, in which it directed Spatial Hover to respond in 14 days, i.e., by May 22, 2026. The Commission sent the LOI to both the physical U.S. address through certified mail and the email address Spatial Hover had specified as its U.S. agent for service of process. The LOI stated the continuing nature of Spatial Hover's obligations to respond.<sup>44</sup> The Bureau received confirmation that the emailed LOI was delivered on May 8, 2026.<sup>45</sup> The return receipt for the LOI sent by certified mail shows that the LOI was delivered and signed for on May 12, 2026.<sup>46</sup> Having not received a timely response from Spatial Hover, on May 29, 2026, the Bureau issued the Deficiency Letter.<sup>47</sup> The Bureau received confirmation that the emailed Deficiency Letter was delivered to Spatial Hover on May 29, 2026<sup>48</sup> and the Deficiency Letter sent by certified mail was delivered and signed for on June 1, 2026.<sup>49</sup> To this day, the Commission has not received any response from Spatial Hover to the LOI.

16. The public and national security interest implications of failing to respond to this LOI are significant. The Commission has delegated authority to the Bureau to request information, and the failure to respond or provide a complete response hinders the Bureau's ability to investigate and therefore

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<sup>39</sup> United States Postal Service Form 3811, signed June 1, 2026 (on file in EB-SED-26-00040749).

<sup>40</sup> 47 U.S.C. § 503(b)(1)(B).

<sup>41</sup> *Id.*

<sup>42</sup> *See, e.g., Neon*, 32 FCC Rcd at 7970, para. 16 (2017) ("It is well established that a failure to respond to a Bureau LOI [letter of inquiry] constitutes a violation of a Commission Order."); *Technical Communication Network, LLC*, Notice of Apparent Liability for Forfeiture and Order, 28 FCC Rcd 1018, 1019, para. 5 (2013) ("The LOI the Bureau directed to TCN served as a legal order of the Commission to produce the requested documents and information.").

<sup>43</sup> *See supra* para. 4.

<sup>44</sup> "Spatial Hover LOI at 6, 10 (stating that Spatial Hover had a "continuing obligation to supplement its responses," and further stating the "**Continuing Nature of Inquiries**. The specific Inquiries made herein are continuing in nature.").

<sup>45</sup> *See* Email Delivery Receipt, May 8, 2026 (on file in EB-SED-26-00040749).

<sup>46</sup> United States Postal Service Form 3811, signed May 12, 2026 (on file in EB-SED-26-00040749).

<sup>47</sup> *See* Deficiency Letter.

<sup>48</sup> *See* Email Delivery Receipt, May 29, 2026 (on file in EB-SED-26-00040749)

<sup>49</sup> United States Postal Service Form 3811, signed June 1, 2026 (on file in EB-SED-26-00040749)

fundamentally affects the Bureau's ability to operate.<sup>50</sup> This is particularly concerning when, as is the case here, the Bureau's investigation relates to an LOI target's potential covert marketing of equipment that has been determined to "pose an unacceptable risk to the national security of the United States or the safety and security of United States persons."<sup>51</sup> Accordingly, we find that Spatial Hover apparently willfully violated a Commission order by failing to respond to the LOI.

## **B. Proposed Forfeiture**

17. Section 503(b) of the Act authorizes the Commission to impose a forfeiture against any entity that "willfully or repeatedly fail[s] to comply with any of the provisions of [the Act] or of any rule, regulation, or order issued by the Commission[.]"<sup>52</sup> Here, section 503(b)(2)(D), as implemented by section 1.80(b)(10) of the Commission's rules, authorizes us to assess a forfeiture against Spatial Hover of up to \$25,132 for each day of a continuing violation, up to a statutory maximum of \$188,491 for a single act or failure to act.<sup>53</sup> In exercising our forfeiture authority, we must consider the "nature, circumstances, extent, and gravity of the violation and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require."<sup>54</sup> In addition, the Commission has established forfeiture guidelines that set forth base penalties for certain violations and identify criteria that we consider when determining the appropriate penalty in any given case.<sup>55</sup> Under these guidelines, we may adjust a forfeiture upward for violations that are egregious, intentional, or repeated, or that cause substantial harm or generate substantial economic gain for the violator.<sup>56</sup> We may adjust a forfeiture downward for violations that are minor, good faith or voluntary disclosure of violations, where there is a history of compliance, or where there is an inability to pay.<sup>57</sup>

18. For Spatial Hover's failure to respond to the LOI and the Deficiency Letter, section 1.80(b) of the Commission's rules sets a base forfeiture amount of \$4,000 for each violation for failure to respond to Commission communications.<sup>58</sup> However, we have previously proposed penalties for failure to respond that far exceeded the \$4,000 base forfeiture, including cases in which the targets answered some of the LOI questions, but failed to answer them completely or provide all of the required

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<sup>50</sup> See *supra* para. 6.

<sup>51</sup> 47 U.S.C. § 1601(b).

<sup>52</sup> 47 U.S.C. § 503(b).

<sup>53</sup> See 47 U.S.C. § 503(b)(2)(D); 47 CFR § 1.80(b)(10) (setting the current inflation adjusted statutory maximum for a violation of 47 U.S.C. § 503 (b)(2)(D) at \$188,491). See *Amendment of Section 1.80(b) of the Commission's Rules, Adjustment of Civil Monetary Penalties to Reflect Inflation*, Order, 40 FCC Rcd 25 (EB 2025).

<sup>54</sup> 47 U.S.C. § 503(b)(2)(E).

<sup>55</sup> 47 CFR § 1.80(b)(11), Table 3 and Note 2.

<sup>56</sup> *Id.* § 1.80 (b)(11), Table 3 to Paragraph (b)(11)—Adjustment Criteria for Section 503 Forfeitures; *The Commission's Forfeiture Policy Statement and Amendment of Section 1.80 of the Rules to Incorporate the Forfeiture Guidelines, Report and Order*, 12 FCC Rcd 17087, 17098, para. 22 (1997) (*Forfeiture Policy Statement*), recons. denied, 15 FCC Rcd 303 (1999) (noting that "[a]lthough we have adopted the base forfeiture amounts as guidelines to provide a measure of predictability to the forfeiture process, we retain our discretion to depart from the guidelines and issue forfeitures on a case-by-case basis, under our general forfeiture authority contained in Section 503 of the Act").

<sup>57</sup> 47 CFR § 1.80 (b)(11), Table 3 to Paragraph (b)(11).

<sup>58</sup> 47 CFR § 1.80(b)(11), Table 1.

information.<sup>59</sup> Under Commission and Bureau precedent, failure to respond to a Commission order is a continuing violation until cured.<sup>60</sup>

19. Given the totality of the circumstances, and consistent with the *Forfeiture Policy Statement*, we conclude that an upward adjustment to a total proposed forfeiture of \$25,000 is warranted here because Spatial Hover's conduct appears egregious, intentional, and continuous.<sup>61</sup> The Commission requires equipment authorization holders to maintain an agent for service of process to ensure it may contact authorization holders. The Bureau issued the LOI and Deficiency Letter to both the email address and U.S. Postal mailing address on record. Spatial Hover has failed to respond to the Bureau's LOI, despite the Bureau receiving confirmation that the LOI and the Bureau's Deficiency Letter were successfully delivered to the postal and e-mail addresses on record. This continues to prevent the Bureau from investigating the serious national security risks described in the LOI, as well as potential rule violations. As we have noted in previous cases involving a failure to respond to FCC inquiries, "[m]isconduct of this type exhibits contempt for the Commission's authority[] and threatens to compromise the Commission's ability to adequately investigate violations of its rules."<sup>62</sup>

20. Pursuant to Section 1.80, we also consider whether there is any basis for a downward adjustment of the proposed forfeiture.<sup>63</sup> Compromising the Commission's ability to investigate potential national security risks is anything but a minor violation, and there is nothing in the record that meets any other criteria that would warrant a downward reduction. Accordingly, Spatial Hover's failure to respond to the Bureau's LOI in the circumstances presented here warrants an upward adjustment for a total proposed forfeiture of \$25,000.

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<sup>59</sup> See *Message Communications*, Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 8214, 8217 para.11 (EB 2014) (citing *Google, Inc.*, Notice of Apparent Liability for Forfeiture, 27 FCC Rcd 4012 (EB 2012)) (*Message Communications NAL*). See also *Fox Television Stations, Inc.*, Notice of Apparent Liability for Forfeiture, 25 FCC Rcd 7074 (EB 2010).

<sup>60</sup> *Onda Mexicana Radio Group, Inc.*, Licensee of AM Station WWFL, Clermont, FL, Notice of Apparent Liability for Forfeiture and Order, 29 FCC Rcd 527, 530, para. 8 (EB 2014) (ongoing failure to respond to an NOV can be a continuing violation); *Message Communications*, 29 FCC Rcd at 8217-18, para. 12 (noting company's willful disregard of its obligation to comply with LOI continued unabated and that such failure to respond to FCC inquiries is misconduct that "exhibits contempt for the Commission's authority, and threatens to compromise the Commission's ability to adequately investigate violations of its rules."); see also *ADMA Telecom, Inc.*, Forfeiture Order, 26 FCC Rcd 4152, 4155, para. 8 (2011) (construing a carrier's failure to file a required document (a Form 499) with the Commission as a continuing violation until cured); *Google Inc.*, Notice of Apparent Liability for Forfeiture, 27 FCC Rcd 4012, 4033, para. 50 (EB 2012) (Google's failures to provide information in response to LOI were continuing violations that lasted until cured); *LDC Telecomm., Inc.*, Notice of Apparent Liability for Forfeiture and Order, 27 FCC Rcd 300, 302, para. 8 (EB 2012) (characterizing LDC's failure to respond to the Bureau's LOI as "continuous"); *Net One Int'l*, Notice of Apparent Liability for Forfeiture and Order, 26 FCC Rcd 16493, 16496, para. 9 (EB 2011) (advising Net One that its failure "to respond fully to the LOI within ten days of the date of this NAL ... may constitute an additional, continuing violation"); *1st Source Info. Specialists, Inc.*, Notice of Apparent Liability for Forfeiture, 21 FCC Rcd 8193, 8196-97, para. 13 (2006) (characterizing a data broker's failure to respond fully to a Bureau subpoena and a citation the Bureau issued based on that failure as a continuing violation), *forfeiture ordered*, Forfeiture Order, 22 FCC Rcd 431 (2007).

<sup>61</sup> See, e.g., *Kenai NAL*, 32 FCC Rcd at 2618-19 (applying an upward adjustment for a continuing violation following a failure to respond to communications from the Commission); see also *Net One International, Net One LLC, Farrahtel International, LLC*, 26 FCC Rcd 16493 (EB 2011) (*Net One NAL*), *forf. ordered*, Order of Forfeiture, 29 FCC Rcd 264 (EB 2014), *recon. denied*, Memorandum Opinion and Order, 30 FCC Rcd 1021 (EB 2015).

<sup>62</sup> *Message Communications*, 29 FCC Rcd at 8218, para. 12 (citing *Net One NAL* 26 FCC Rcd at 16495, para. 7).

<sup>63</sup> 47 CFR § 1.80(b)(11), Table 3.

21. We also direct Spatial Hover to respond fully to the LOI within ten (10) calendar days of the date of this NAL. Failure to do so may constitute an additional, continuing violation subjecting the Company to future enforcement action.

#### IV. CONCLUSION

22. We have determined that Spatial Hover apparently willfully or repeatedly failed to respond to an agency order. As such, Spatial Hover is apparently liable for a forfeiture of \$25,000.

#### V. ORDERING CLAUSES

23. Accordingly, **IT IS ORDERED** that, pursuant to section 503(b) of the Act, 47 U.S.C. § 503(b), and sections 0.111, 0.311, and 1.80 of the Commission's rules, 47 CFR §§ 0.111, 0.311, 1.80, Spatial Hover Inc is hereby **NOTIFIED** of this **APPARENT LIABILITY FOR A FORFEITURE** in the amount of twenty-five thousand dollars (\$25,000) for willful or repeated violations of an agency order.

24. **IT IS FURTHER ORDERED** that, pursuant to section 1.80 of the Commission's rules, 47 CFR § 1.80, within thirty (30) calendar days of the release date of this Notice of Apparent Liability for Forfeiture, Spatial Hover Inc **SHALL PAY** the full amount of the proposed forfeiture or **SHALL FILE** a written statement seeking reduction or cancellation of the proposed forfeiture consistent with paragraph 28 below.

25. **IT IS FURTHER ORDERED** that, Spatial Hover Inc **SHALL FULLY RESPOND**, not later than ten (10) calendar days from the release date of this NAL, to the Bureau's letter of inquiry dated May 8, 2026, in accordance with the delivery instructions set forth therein.

26. In order for Spatial Hover Inc to pay the proposed forfeiture, Spatial Hover Inc shall notify the Spectrum Enforcement Division, Enforcement Bureau, Federal Communications Commission at [EB-SED-Response@fcc.gov](mailto:EB-SED-Response@fcc.gov) of its intent to pay, whereupon an invoice will be posted in the Commission's Registration System (CORES) at <https://apps.fcc.gov/cores/userLogin.do>. Upon payment, Spatial Hover Inc shall send electronic notification of payment to the Spectrum Enforcement Division at [EB-SED-Response@fcc.gov](mailto:EB-SED-Response@fcc.gov) on the date said payment is made. Payment of the forfeiture must be made by credit card using CORES at <https://apps.fcc.gov/cores/userLogin.do>, ACH (Automated Clearing House) debit from a bank account, or by wire transfer from a bank account. The Commission no longer accepts forfeiture payments by check or money order. Below are instructions that payors should follow based on the form of payment selected:<sup>64</sup>

- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. In the OBI field, enter the FRN(s) captioned above and the letters "FORF". In addition, a completed Form 159<sup>65</sup> or printed CORES form<sup>66</sup> must be faxed to the Federal Communications Commission at 202-418-2843 or e-mailed to [RROGWireFaxes@fcc.gov](mailto:RROGWireFaxes@fcc.gov) on the same business day the wire transfer is initiated. Failure to provide all required information in Form 159 or CORES may result in payment not being recognized as having been received. When completing FCC Form 159 or CORES, enter the Account Number in block number 23A (call sign/other ID), enter the letters "FORF" in block number 24A (payment type code), and enter in block number 11 the FRN(s) captioned above

<sup>64</sup> For questions regarding payment procedures, please contact the Financial Operations Group Help Desk by phone at 1-877-480-3201 (option #6).

<sup>65</sup> FCC Form 159 is accessible at <https://www.fcc.gov/licensing-databases/fees/fcc-remittance-advice-form-159>.

<sup>66</sup> Information completed using the Commission's Registration System (CORES) does not require the submission of an FCC Form 159. CORES is accessible at <https://apps.fcc.gov/cores/userLogin.do>.

(Payor FRN).<sup>67</sup> For additional detail and wire transfer instructions, go to <https://www.fcc.gov/licensing-databases/fees/wire-transfer>.

- Payment by credit card must be made by using CORES at <https://apps.fcc.gov/cores/userLogin.do>. To pay by credit card, log-in using the FCC Username associated to the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select “Manage Existing FRNs | FRN Financial | Bills & Fees” from the CORES Menu, then select FRN Financial and the view/make payments option next to the FRN. Select the “Open Bills” tab and find the bill number associated with the NAL Acct. No. The bill number is the NAL Acct. No. with the first two digits excluded (e.g., NAL 1912345678 would be associated with FCC Bill Number 12345678). After selecting the bill for payment, choose the “Pay by Credit Card” option. Please note that there is a \$24,999.99 limit on credit card transactions.
- Payment by ACH must be made by using CORES at <https://apps.fcc.gov/cores/userLogin.do>. To pay by ACH, log in using the FCC Username associated to the FRN captioned above. If payment must be split across FRNs, complete this process for each FRN. Next, select “Manage Existing FRNs | FRN Financial | Bills & Fees” on the CORES Menu, then select FRN Financial and the view/make payments option next to the FRN. Select the “Open Bills” tab and find the bill number associated with the NAL Acct. No. The bill number is the NAL Acct. No. with the first two digits excluded (e.g., NAL 1912345678 would be associated with FCC Bill Number 12345678). Finally, choose the “Pay from Bank Account” option. Please contact the appropriate financial institution to confirm the correct Routing Number and the correct account number from which payment will be made and verify with that financial institution that the designated account has authorization to accept ACH transactions.

27. Any request for making full payment over time under an installment plan should be sent to: Chief Financial Officer—Financial Operations, Federal Communications Commission, 45 L Street, NE, Washington, D.C. 20554.<sup>68</sup> Questions regarding payment procedures should be directed to the Financial Operations Group Help Desk by phone, 1-877-480-3201, or by e-mail, [ARINQUIRIES@fcc.gov](mailto:ARINQUIRIES@fcc.gov).

28. The written statement seeking reduction or cancellation of the proposed forfeiture, if any, must include a detailed factual statement supported by appropriate documentation and affidavits pursuant to sections 1.16 and 1.80(g)(3) of the Commission’s rules.<sup>69</sup> The written statement must be mailed to the Office of the Secretary, Federal Communications Commission, 45 L Street, NE, Washington, D.C. 20554, ATTN: Enforcement Bureau – Spectrum Enforcement Division, and must include the NAL/Account Number referenced in the caption. The statement must also be e-mailed to the Spectrum Enforcement Division at [EB-SED-Response@fcc.gov](mailto:EB-SED-Response@fcc.gov).

29. The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the petitioner submits the following documentation: (1) federal tax returns for the past three years; (2) financial statements for the past three years prepared according to generally accepted accounting practices; or (3) some other reliable and objective documentation that accurately reflects the petitioner’s current financial status.<sup>70</sup> Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation. Inability to pay, however, is only one of several factors that the Commission will consider in determining the appropriate forfeiture, and we

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<sup>67</sup> Instructions for completing the form may be obtained at <http://www.fcc.gov/Forms/Form159/159.pdf>.

<sup>68</sup> See 47 CFR § 1.1914.

<sup>69</sup> *Id.* §§ 1.16, 1.80(g)(3).

<sup>70</sup> 47 U.S.C. § 503(b)(2)(E).

retain the discretion to decline reducing or canceling the forfeiture if other prongs of 47 U.S.C. § 503(b)(2)(E) support that result.<sup>71</sup>

30. **IT IS FURTHER ORDERED** that a copy of this Notice of Apparent Liability for Forfeiture shall be sent by first class mail and certified mail, return receipt requested, to Spatial Hover Inc, 10415A Westpark Dr., Houston, TX 77042, Attn: Ricky Yu, U.S. Agent for Service of Process, and by email to [ricky@spatialhover.com](mailto:ricky@spatialhover.com).

FEDERAL COMMUNICATIONS COMMISSION

Patrick Webre  
Chief  
Enforcement Bureau

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<sup>71</sup> See, e.g., *Ocean Adrian Hinson, Surry County, North Carolina*, Forfeiture Order, 34 FCC Rcd 7619, 7621, para. 9 & n.21 (2019); *Vearl Pennington and Michael Williamson*, Forfeiture Order, 34 FCC Rcd 770, paras. 18-21 (2019); *Fabrice Polynice, Harold Sido and Veronise Sido, North Miami, Florida*, Forfeiture Order, 33 FCC Rcd 6852, 6860-62, paras. 21-25 (2018); *Adrian Abramovich, Marketing Strategy Leaders, Inc., and Marketing Leaders, Inc.*, Forfeiture Order, 33 FCC Rcd 4663, 4678-79, paras. 44-45 (2018); *Purple Communications, Inc.*, Forfeiture Order, 30 FCC Rcd 14892, 14903-04, paras. 32-33 (2015); *TV Max, Inc., et al.*, Forfeiture Order, 29 FCC Rcd 8648, 8661, para. 25 (2014).