Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of	)	File No.: EB-TCD-14-00017114
	)	
Roman LD, Inc.	)	NAL/Acct. No.: 201532170012
	)	
Apparent Liability for Forfeiture	)	FRN: 0020640579

NOTICE OF APPARENT LIABILITY FOR FORFEITURE

Adopted: March 31, 2015 **Released: April 2, 2015**

By the Commission:

I. INTRODUCTION

1. We propose a penalty of $5,900,000 against Roman LD, Inc. (Roman or Company) for apparently engaging in unjust and unreasonable practices regarding consumers' long distance telephone services by submitting requests to change or switch consumers' preferred long distance carriers without authorization. We take this action after reviewing over 100 consumer complaints, 80 of which arise from carrier changes that took place within the twelve-month period prior to the release of this NAL, against Roman and as part of our ongoing commitment to protect consumers. In particular, the evidence demonstrates that Roman submitted requests to change or switch consumers' preferred long distance telephone carrier without authorization, commonly known as "slamming." Companies that engage in slamming prey on consumers not only by billing them for unauthorized service but also by violating their right to select the telecommunications providers of their choice. The Commission is committed to protecting consumers against slamming and will take aggressive action against carriers that perpetrate such unjust and unreasonable acts. In addition, the evidence shows that Roman's initial owner transferred control of the company to its current owner, without Commission approval. Based on our review of the facts and circumstances surrounding these apparent violations, we propose a monetary forfeiture of $5,900,000.

II. BACKGROUND

2. Roman[1] is an interexchange carrier that is authorized to provide domestic and international long distance telecommunications service.[2] Since 2011, Roman has been a provider of "competitive non-facilities-based, interexchange telecommunications services"[3] in various states,[4] although the Company's business appears to be targeted to consumers in Texas, Oklahoma, Georgia,

[1] According to the FCC Form 499-A filed by Roman on April 1, 2014, Roman's offices are located at 2300 Valley View Lane, Suite 730, Irving, TX 75062 and its officers are Monotaz Begum, Abul Karim, and Rose Cortez.

[2] *See International Authorizations Granted*, Report No. TEL-01502, Public Notice, 26 FCC Rcd 8501 (2011).

[3] *See* Letter from Cheng-yi Liu to Mika Savir, Telecommunications Consumers Division, FCC Enforcement Bureau at 1 (Nov. 10, 2014) (on file in EB-TCD-14-0017114) (LOI Response).

[4] These states include Alabama, Colorado, Florida, Georgia, Kansas, Kentucky, Louisiana, Massachusetts, Minnesota, Nevada, New Hampshire, New York, North Carolina, Oklahoma, Pennsylvania, South Carolina, Texas, Utah, and Washington. *See* Roman LD, Inc., FCC Form 499-A, Telecommunications Reporting Worksheet (filed Apr. 1, 2014).

North Carolina, South Carolina, and Florida.[5] Roman uses a telemarketing company, [redacted], to generate sales for its telecommunications services.[6]

3. The Enforcement Bureau (Bureau) of the Federal Communications Commission (Commission) reviewed more than 100 complaints against Roman that consumers filed with the Commission, state regulatory agencies, the Better Business Bureau (BBB), and directly with Roman or its billing aggregator.[7] Bureau staff also contacted many complainants to discuss the complaints and their contact with Roman. All of the complainants contend that Roman switched their long distance service without their authorization and some allege that Roman's telemarketer deceptively claimed that he or she was employed by the consumer's existing carrier. Complainants contend that they had never been contacted by Roman or had never heard of the Company before Roman changed their long distance carrier without their authorization.[8]

4. Roman has ties to other toll resellers that the Commission previously investigated for slamming and misrepresentation, specifically, Silv Communications Inc. (Silv),[9] and United Telecom, Inc. (United).[10] The actions alleged by the complainants here are similar to the allegations raised in those two investigations.

5. Based on complaints from consumers alleging that Roman fraudulently charged them for long distance service, the Bureau initiated an investigation of Roman and issued a letter of inquiry (LOI)

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[5] *See* LOI Response at Attachment A.

[6] *See* LOI Response at 2-3.

[7] See consumer complaints on file in EB-TCD-14-0017114.

[8] *See*, *e.g.*, Complaint from E. Erdely ("I am extremely disappointed that this company would charge my AT&T account especially as I have NEVER talked to this company nor had I ever heard of them.").

[9] *See Silv Communication Inc*., Notice of Apparent Liability for Forfeiture, 25 FCC Rcd 5178 (2010) (*Silv NAL*). The owner of Silv, SK Golam Ahia (who also owns Bengal Petroleum USA, LLC, located at 2300 Valley View Lane, Irving, Texas, the same address as Roman's office) is listed as the owner of Roman in Roman's Section 214 application. Despite the fact that Silv is in Los Angeles, California and Roman is in Irving, Texas, both Silv and Roman use the same Los Angeles-based notary public in their applications to state commissions. *See* Silv Communication Inc., Application for Certificate of Authority, Docket No. TC07-098, South Dakota Public Utilities Commission (filed Sept. 7, 2007), *available at* https://puc.sd.gov/commission/dockets/telecom/2007/tc07-098/090707.pdf; Silv Communication Inc., Statement of Gross Intrastate Operating Revenues, Matter No. 12-00071, New York Department of Public Service (dated Apr. 12, 2012), *available at* http://webcache.googleusercontent.com/search?q=cache:CEcuDycTupsJ:documents.dps.ny.gov/public/Common/ViewDoc.aspx%3FDocRefId%3D%257B424BAAB6-FF68-4870-8E31-749DB8DBE015%257D+&cd=1&hl=en&ct=clnk&gl=us; Roman LD, Inc., *Application Certificate of Public Convenience and Necessity to provide Telecommunications Services in the State of Alabama*, Alabama Public Service Commission, Docket No. 31712 (filed Aug. 16, 2011), *available at* https://www.pscpublicaccess.alabama.gov/pscpublicaccess/ViewFile.aspx?Id=f6f509f4-f588-416d-b0e4-8887e8a20905 (Alabama PSC Application).

[10] *See United Telecom, Inc*., Notice of Apparent Liability for Forfeiture, 27 FCC Rcd 16499, 16505, n.49 (2012) (*United NAL*) (observing that the same group of individuals—SK Golam Ahia, Sapina Quayum, Aminur Rahman, Faisal Aziz, Imtiaz Hossain, Kazi Hossain, Mohideen Sinnalebbe, Elizabeth Sinnalebbe, Maria Elena Zepeda, and others—had various roles in Silv, United, and America Net, as well as the third party verification (TPV) company, Seone Network, Inc.). SK Golam Ahia is the husband of the president of United, Sapina Quayum. Ms. Quayum also owned Roman. In the "Application of Roman for a Certificate of Convenience and Necessity to Provide Resold Intrastate Toll Service Within the State of Oklahoma," filed Nov. 10, 2011, Sapina Quayum is listed as the "Owner/Sole Shareholder" of Roman. *See* Roman LD, Inc., Application, *Application of Roman LD, Inc. For a Certificate of Convenience and Necessity to Provide Resold Intrastate Toll service Within the State of Oklahoma and Approval of Its Initial Tariff*, Cause No. PUD 201 100177 (filed Nov. 10, 2011), *available at* http://www.occeweb.com/pu/ccn/201100177RomanLD,Inc.pdf (Oklahoma Corp. Comm'n Application).

to the Company on September 11, 2014.[11] The LOI sought information about Roman's business practices and instructed the Company to produce various documents and records. After requesting an extension of time, Roman responded to the LOI on November 10, 2014.[12] Roman submitted a supplemental LOI response on December 17, 2014.[13]

III. DISCUSSION

6. We find that Roman apparently willfully and repeatedly violated Sections 201(b) and 258 of the Communications Act of 1934, as amended (Act),[14] and Section 64.1120 of the Commission's rules.[15] Specifically, as discussed more fully below, we charge Roman with apparently violating (i) Section 201(b) of the Act for misrepresenting its identity to consumers in order to deceive them into believing its telemarketing call was from the consumer's own carrier and for fabricating audio "verification" recordings; and (ii) Section 258 of the Act and Section 64.1120 of the Commission's rules by submitting requests to change or switch consumers' preferred long distance carriers without authorization verified in compliance with the Commission's verification procedures. We also find that Roman failed to seek and obtain Commission approval before transferring control of the Company to Monotaz Begum on January 2, 2013.[16] Accordingly, we propose a forfeiture of $5,900,000 for the apparent violations that occurred within the twelve months prior to the release date of this NAL.[17]

A. Roman Deceptively Marketed its Service and Fabricated TPV Recordings in Apparent Violation of Section 201(b) of the Act

7. Section 201(b) of the Act states, in pertinent part, that "[a]ll charges, practices, classifications, and regulations for and in connection with [interstate or foreign] communication service [by wire or radio], shall be just and reasonable, and any such charge, practice, classification, or regulation that is unjust or unreasonable is declared to be unlawful."[18] The Commission has held that unfair and deceptive marketing practices by interstate common carriers as a general matter, and misrepresentations about a carrier's identity or the nature of its service to obtain a consumer's authorization to change his or her preferred long distance carrier specifically, constitute unjust and unreasonable practices under Section 201(b) of the Act.[19] The Commission has also found that fabricating TPVs to make it appear that the consumers authorized a carrier change when they did not is a Section 201(b) violation.[20]

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[11] *See* Letter from Richard A. Hindman, Chief, Telecommunications Consumers Division, FCC Enforcement Bureau, to Roman LD, Inc. (Sept. 11, 2014) (on file in EB-TCD-14-0017114) (LOI).

[12] *See* LOI Response.

[13] *See* Letter from Cheng-yi Liu to Mika Savir, Attorney Advisor, Telecommunications Consumers Division, FCC Enforcement Bureau (Dec. 17, 2014) (on file in EB-TCD-14-0017114) (Supplemental LOI Response).

[14] 47 U.S.C. §§ 201(b), 258.

[15] 47 C.F.R. § 64.1120.

[16] *See* LOI Response at 2 [redacted] *See* LOI Response, cover letter at 2.

[17] The Appendix identifies the 80 complaints, evidencing 94 apparent violations of the Act occurring in the last year that underlie the proposed forfeiture.

[18] 47 U.S.C. § 201(b).

[19] *See Business Discount Plan, Inc.*, Order of Forfeiture, 15 FCC Rcd 14461, 14469, para. 17 (2000) (*BDP Forfeiture Order*); *Central Telecom Long Distance, Inc.*, Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 5517, 5520, para. 7 (2014) (*Central NAL*); *U.S. Telecom Long Distance, Inc.*, Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 823, 825–26, para. 7 (2014) (*USTLD NAL*); *Consumer Telcom, Inc.*, Notice of Apparent Liability for Forfeiture, 28 FCC Rcd 17196, 17198–99, para. 7 (2013) (*CTI NAL*); *Advantage Telecomms., Corp.*,

(continued…)

8. The evidence demonstrates that Roman's telemarketers at times tricked the complainants into believing that they were calling on behalf of the customers' existing providers—and doing so simply to authorize a change to the existing service consumers had with those providers—not to switch their provider to Roman. All of the more than 100 consumers whose complaints the Bureau reviewed maintain that they neither requested nor agreed to Roman's service.[21] Many complainants contend that Roman's telemarketer pretended that he or she was calling from the complainant's own carrier and they had never heard of Roman before discovering the charges on their telephone bills.

9. For example, Complainant Estes explained that she "received a call back in June or July from a representative of Roman, LD, Inc., who stated she was with Verizon."[22] Complainant D. Erickson from Capstone Counseling recalled that the Roman representative said he was calling just to update their information and, in response to his questions, "I did give updated information re: our Capstone contact information as requested. . . . [but] I definitely did not give an okay to make changes in our phone service."[23] Complainant Nhan stated that she was "constantly called by what sounded like an outsourced call center claiming to be from AT&T. . . . [Roman] [r]epresentatives used aggressive tactics and manipulation to get the information they wanted. About a month later it was discovered that they used this information to change our long-distance provider without proper authorization."[24] Other complainants describe similar experiences of misrepresentation.[25]

10. Two complainants, after listening to Roman's recorded "verification," concluded that parts of their conversation were used to fabricate their authorization. Complainant Sidney explained that the "yes" in the recording is her voice but the Roman telemarketer "pieced together [the recorded] conversation to make it seem as if I was agreeing to a service from them when they called disguised as

(Continued from previous page…)
Notice of Apparent Liability for Forfeiture, 28 FCC Rcd 6843, 6849, para. 16 (2013) (*Advantage NAL*); *United NAL*, 27 FCC Rcd at 16502, para. 9; *Preferred Long Distance, Inc.*, Notice of Apparent Liability for Forfeiture, 27 FCC Rcd 16489, 16491, para. 7 (2012) (*Preferred NAL*); *Silv NAL*, 25 FCC Rcd at 5180–82, paras. 5–7.

[20] *See United NAL*, 27 FCC Rcd at 16503, para. 11.

[21] *See, e.g.*, Complaint from J. Groff ("ROMAN LD, INC changed our Long Distance Carrier without notifying the designated officer of the corporation . . . This is costing our company a great deal of money for a service that is neither wanted or needed as we have a carrier."); Complaint from D. Guelker ("phone was slammed by . . . Roman LD Inc. on or about August 21, 2014. . . . without permission of any of the partners or the contact person for the business. It resulted in an early termination fee with AT&T and a higher monthly cost for long distance."); Complaint from S. Huck ("My latest bill from Frontier dated Oct. 28, 2014 has new charges from a different long distance provider—Roman LD billed by USBI. This change in providers was not authorized by myself or my husband."); Complaint from P. Mabry ("Roman was able to switch the service without proper authorization.").

[22] Complaint from K. Estes.

[23] Complaint from Capstone Counseling.

[24] Complaint from C. Nhan.

[25] *See, e.g.*, Complaint from Atlantic Animal Clinic ("the [telemarketer] said they were AT&T and they [were] having a promotion."); Complaint from J. Doigg ("I was [led] to the impression it was AT&T."); Complaint from G. Garcia (stating Roman telemarketer "call[ed] to the office and offer[ed] a 'discount' [claiming that] he represent[s] AT&T."); Complaint from J. Klein (stating "[we] were called a month or so ago by a telemarketer saying they were making us aware of a discount we were going to receive for our AT&T services."); Complaint from Stan's Airboat Service (stating telemarketer said he was from AT&T and "he was verifying . . . information on the account."); Complaint from Modern Home Patio and Carport (stating Roman telemarketer said he was "calling on behalf of AT&T."); Complaint from Pinot's Palette (a Windstream customer) (stating telemarketer said "they were partnering with AT&T and offered . . . a lower cost."); Complaint from Southern Style Designs ("This company said they were AT&T."); Complaint from T. Williams ("[P]art of the fraudulent pitch was to represent that this company was authorized by AT&T to offer a plan to save money. The problem with this was that USBI was not authorized by AT&T. Secondly, USBI did not save my business any money because unlimited long distance was already provided in bundled AT&T services.").

AT&T with a rebate for me since I was a new [AT&T] customer."[26] K. Ethredge, from Graphic Results, stated in her complaint that "Roman LD had approached me as 'AT&T' with a discount offer to lower my phone bill [by 35 percent]. . . and he said that he just needed to verify information of mine." [27] After listening to the recording, Ms. Ethredge was sure that "they just copied and pasted my answers to where they could." [28]

11. That Roman apparently misrepresented itself to be AT&T or Verizon in several instances, and in two cases apparently fabricated the verification recording to make it appear that the consumer had agreed to a carrier change, is further evidence that Roman was engaged in deceptive conduct. The evidence shows that these were not mere errors by Roman, whereby the Company mistakenly verified the carrier switch with someone who was not authorized to make the switch, but intentional misconduct where Roman pretended that the call was from the consumer's own carrier, or, in the case of fabricated recordings, pretended that the consumer had agreed to the carrier change. There is no evidence that any of the complainants (or anyone else in their household or place of business) agreed to a carrier change to Roman.

12. Accordingly, we find Roman in apparent violation of Section 201(b) of the Act, for engaging in deceptive and fraudulent practices by representing to consumers that it was calling on behalf of the consumers' existing long distance carriers, and in two cases, fabricating TPV recordings.[29] Moreover, under Section 217 of the Act,[30] Roman is liable for the acts of its telemarketers.[31] Accordingly we find that Roman is apparently liable for deceptive marketing practices in violation of Section 201(b) of the Act.

B. Roman Submitted Unauthorized Requests to Change or Switch Consumers' Long Distance Carriers in Apparent Violation of Section 258 of the Act and Section 64.1120 of the Commission's Rules

13. Section 258 makes it unlawful for any telecommunications carrier to "submit or execute a change in a subscriber's selection of a provider of telephone exchange service or telephone toll service except in accordance with such verification procedures as the Commission shall prescribe."[32] Section

[26] Complaint from K. Sidney.

[27] Complaint from Graphic Results.

[28] Complaint from Graphic Results. Ms. Ethredge did not agree to a carrier change and in fact she told the Roman telemarketer that she did not believe he was with AT&T. *Id.*

[29] Third party verification is one method a carrier may use to verify and record a consumer's authorization to change his or her preferred long distance carrier. 47 C.F.R. § 64.1120(c)(3). TPV must comply with Section 64.1120(c)(3) of the Commission's rules. *Id.*

[30] *See* 47 U.S.C. § 217. Section 217 imposes liability on a carrier for the acts and omissions of its agents simply if those agents act within the scope of their employment; a carrier's knowledge of its agents' misdeeds is not required. *See, e.g., Preferred NAL*, 27 FCC Rcd at 16491, para. 6 (finding a carrier apparently liable for deceptive marketing practices of the third party telemarketers); *Silv NAL*, 25 FCC Rcd at 5185, para. 14 (same). In any event, Roman has not claimed or produced any evidence that it was unaware of its telemarketer's or third party verifier's actions or that the Company should not be held responsible for those actions.

[31] [redacted] LOI Response at 2. According to Roman, this telemarketing company "specializes in telecommunications sales" and "complies with Federal Trade Commission and Federal Communications Commission regulations." *See* Transcript of Testimony of Maria Elena Zepeda on behalf of Roman LD, Inc., at 6, *Application of Roman LD, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold Interexchange Services Throughout the State of South Carolina and for Alternative Regulation*, Docket No. 2011-432-C, Pub. Serv. Comm'n of South Carolina (Nov. 28, 2011) *available at* http://dms.psc.sc.gov/pdf/matters/340BF25F-155D-2817-1096F83C83D349F1.pdf.

[32] 47 U.S.C. § 258(a).

64.1120 of the Commission's rules prohibits carriers from submitting a request to change a consumer's preferred provider of telecommunications services before obtaining authorization from the consumer; carriers can verify that authorization in one of three specified ways, including TPV.[33] If a carrier relies on TPV, the independent verifiers must, among other things, confirm that the consumers with whom they are speaking: (i) have the authority to change the carrier associated with their telephone number; (ii) in fact wish to change carriers; and (iii) understand that they are authorizing a carrier change.[34]

14. The evidence demonstrates that Roman apparently violated Section 258 of the Act and Section 64.1120 of the Commission's rules by submitting requests to change or switch the complainants' preferred providers of telecommunications services without proper authorization verified in accordance with the Commission's rules. We have reviewed the TPV recordings that Roman submitted with its response to the LOI.[35] In each case, the verifier asks the person on the call, "Are you at least 18 years of age and authorized by the telephone account owner to make changes and incur charges on this telephone account?" An affirmative response to this question does not establish that the person was authorized to make a *carrier change*, much less that he or she *wants* to make a carrier change, and is *in fact authorizing* one.[36] Therefore, in each case, Roman's verifier failed to elicit confirmation that the person was authorized to make a carrier change or was in fact authorizing such a carrier change.[37] In addition, the verifiers' speech is so rapid so as to be extremely difficult to understand and, in some places, completely indecipherable. Apart from the issue discussed above, these TPVs cannot be "clear and convincing evidence of a valid authorized carrier change" as required by Section 64.1150(d) of the Commission's rules when they are very difficult to understand.[38]

15. We therefore find that Roman apparently violated Section 258 of the Act and Section 64.1120 of the Commission's rules by submitting requests to change or switch **[80]** consumers' preferred providers of telecommunications services without proper authorization verified in accordance with the Commission's rules.

C. Roman's Unauthorized Substantial Transfer of Control in Apparent Violation of Section 214 of the Act and Sections 63.03, 63.04, 63.18, and 63.24 of the Commission's Rules

16. Sections 63.03 and 63.24 of the Commission's rules require a carrier to seek and obtain approval from the Commission before consummating any "substantial" transfer of control of the carrier's

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[33] 47 C.F.R. § 64.1120(c)(1)–(3) (a carrier may also verify authorization by obtaining the subscriber's written or electronically signed authorization in a format that meets the requirements of Section 64.1130 or by obtaining confirmation from the subscriber via a toll-free number provided exclusively for the purpose of confirming orders electronically).

[34] 47 C.F.R. § 64.1120(c)(3)(iii).

[35] *See* CDs provided with the LOI Response and the Supplemental LOI Response.

[36] The Consumer & Governmental Affairs Bureau (CGB) recently issued orders granting four informal slamming complaints filed against Roman for the same problem we describe here. *See, e.g., Complaints Regarding Change of Subscribers' Telecommunications Carrier*, Order, 29 FCC Rcd 9413 (CGB 2014); *Complaints Regarding Change of Subscribers' Telecommunications Carrier*, Order, 29 FCC Rcd 7641 (CGB 2014).

[37] *See, e.g., Central NAL.*, 29 FCC Rcd at 5521, para. 9 ("Central's statements suggesting that it was seeking verification only for a change in "service" [and not a carrier change] were misleading and in violation of Section 64.1120(c)(3)"); *USTLD NAL*, 29 FCC Rcd 824, para. 10 (same); *CTI NAL*, 28 FCC Rcd at 17200, para. 11 (same).

[38] *See Reduced Rate Long Distance*, Order, 23 FCC Rcd 11492, 11494, para. 4 (CGB 2008) (finding that the TPV was not intelligible and therefore the carrier had not provided clear and convincing evidence of a valid authorized carrier change.)

lines or of Section 214 authority.[39] Sections 63.04 and 63.18 of the Commission's rules set forth the information that must be included in the domestic and international transfer of control applications.[40]

17. Roman apparently violated Section 214 and related Commission rules[41] by consummating substantial transfers of control of (i) a domestic Section 214 authority, and (ii) an international Section 214 authority, without prior Commission approval. [redacted] and Ms. Begum became president, sole owner, and chief executive officer of Roman.[42] This transaction transferred ultimate control of domestic and international Section 214 authority from Ms. Quayum to Ms. Begum. We therefore find that Roman twice apparently willfully or repeatedly violated Section 214 of the Act and Sections 63.03, 63.04, 63.18, and 63.24 of the Commission's rules. Moreover, the apparent violations are continuing because the failure to obtain prior approval from the Commission is not cured until the Company is granted approval.[43]

D. Proposed Forfeiture

18. 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."[44] Here, Section 503(b)(2)(B) of the Act authorizes us to assess a forfeiture against Roman LD, Inc. of up to a statutory maximum of $160,000 for a single act or failure to act.[45] 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."[46] In addition, the Commission has established forfeiture guidelines; they establish base penalties for certain violations and

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[39] *See Stanacard, LLC*, Notice of Apparent Liability for Forfeiture, 28 FCC Rcd 82, 85-86, paras. 9-11 (Enf. Bur. 2013) (*Stanacard NAL*); 47 C.F.R. §§ 63.03, 63.24. A transfer of control of domestic lines or of a domestic Section 214 authority is considered "substantial" if it results in a change in ultimate ownership or control of those lines or that authority. 47 C.F.R. § 63.03(d). A transfer of control of international lines or of an international Section 214 authority is considered "substantial" if it results in a change in the actual controlling party of those lines or that authority. *See* 47 C.F.R. § 63.24(a).

[40] *See* 47 C.F.R. §§ 63.04, 63.18.

[41] 47 U.S.C. § 214; 47 C.F.R. §§ 63.03, 63.04, 63.18, 63.24.

[42] *See* LOI Response at 1.

[43] The failure to obtain prior approval from the Commission is not cured until the Company is granted approval, until that time the violation is continuing. *See PTT Phone Cards, Inc*., Notice of Apparent Liability for Forfeiture, 29 FCC Rcd 11531, 11534, para. 9 (2014).

[44] *See* 47 U.S.C. § 503(b).

[45] *See* 47 U.S.C. § 503(b)(2)(B); 47 C.F.R. § 1.80(b)(2). These amounts reflect inflation adjustments to the forfeitures specified in Section 503(b)(2)(B) of the Act ($100,000 per violation or per day of a continuing violation and $1,000,000 per any single act or failure to act). The Federal Civil Penalties Inflation Adjustment Act of 1990, Pub. L. No. 101-410, 104 Stat. 890, as amended by the Debt Collection Improvement Act of 1996, Pub. L. No. 104-134, Sec. 31001, 110 Stat. 1321 (DCIA), requires the Commission to adjust its forfeiture penalties periodically for inflation. *See* 28 U.S.C. § 2461 note (4). The Commission most recently adjusted its penalties to account for inflation in 2013. *See Amendment of Section 1.80(b) of the Commission's Rules, Adjustment of Civil Monetary Penalties to Reflect Inflation*, 28 FCC Rcd 10785 (Enf. Bur. 2013); *see also Inflation Adjustment of Monetary Penalties*, 78 Fed. Reg. 49370–01 (2013) (setting Sept. 13, 2013, as the effective date for the increases). However, because the DCIA specifies that any inflationary adjustment "shall apply only to violations which occur after the date the increase takes effect," we apply the forfeiture penalties in effect at the time the violation took place. 28 U.S.C. § 2461 note (6). Here, because the apparent violations at issue occurred after September 13, 2013, the applicable maximum penalties are based on the Commission's most recent inflation adjustment.

[46] *See* 47 U.S.C. § 503(b)(2)(E).

identify criteria that we consider when determining the appropriate penalty in any given case.[47] 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.[48]

19. Section 1.80(b) of the Commission's rules sets a base forfeiture amount of $40,000 for violations of our slamming rules and orders.[49] Applying the $40,000 base forfeiture to each of the 80 slamming violations[50] that occurred within the last twelve months would result in a forfeiture of $3,200,000.

20. In addition, given the totality of the circumstances and consistent with the *Forfeiture Policy Statement* we conclude that a significant upward adjustment is warranted for the apparent slamming violations at issue here that are coupled with direct evidence of deceptive marketing or fabricated recordings. In past cases we have upwardly adjusted penalties by $80,000, and we have repeatedly warned carriers that "we may propose more significant forfeitures in the future as high as necessary, within the range of our statutory authority, to ensure that such companies do not charge consumers for unauthorized services."[51] Accordingly, we propose an additional $80,000 penalty for each of the 14 apparent slamming violations that occurred in the past 12 months and for which Roman apparently misrepresented its identity to the consumer or fabricated an authorization recording. The subtotal for this adjustment is $1,120,000.

21. We find that Roman's actions were egregious and warrant a further upward adjustment due to the fabricated TPVs and the misrepresentations. Complainant Sidney described the TPV recording as having her voice saying "yes" inserted in several places to make it "seem as if [she] was agreeing to a service."[52] Complainant Ethredge explained that the recording sounded like her voice was cut and pasted into the recording to make it seem like she had agreed to the carrier change.[53] Another complainant (not included in the Appendix) stated that Roman re-used a TPV that was originally used by Silv in a prior slam to victimize her company a second time.[54] Specifically, according to Complainant Stenberg, Silv slammed the Houston, Texas office of her company in 2010. After Ms. Stenberg unraveled the first slam by Silv and switched her company back to AT&T, she discovered that her company had once more been slammed by Roman. According to Ms. Stenberg:

> Apparently [Roman] took over service from AT&T on Feb. 13, 2014. I immediately called AT&T and . . . I called Roman LD, Inc. to cancel their service and I also . . . listened to the recording that was IDENTICAL to the original recording back in 2010 with the exception of Roman LD switched out from Silv Comm. . . . [T]he employee in Houston . . . swears that he NEVER talked to anyone about changing our service. I believe they fraudulently dubbed in the

[47] 47 C.F.R. § 1.80(b)(8), Note to paragraph (b)(8).

[48] *Id*.

[49] *See* 47 C.F.R. § 1.80, Appendix A, Section I.

[50] A slamming violation occurs whenever a carrier submits an unlawful request to change service providers regardless of whether the change actually takes place. *See* 47 U.S.C. § 258(a) ("[n]o telecommunications carrier shall submit or execute a change in a subscriber's selection of a provider of telephone exchange service or telephone toll service except in accordance with [the Commission's] verification procedures. . . .").

[51] *See, e.g., USTLD NAL*, 29 FCC Rcd at 837, para. 27 (citing cases); *Central NAL*, 29 FCC Rcd at 5531, para. 28; *Silv NAL*, 25 FCC Rcd at 5186, para. 16.

[52] Complaint from K. Sidney.

[53] Complaint from Graphic Results.

[54] Complaint from T. Stenberg.

new company's name into the old recording to make it look like the service was authorized by someone in our company.[55]

22. As discussed above, several complainants contend that Roman's telemarketer pretended that he or she was calling from the complainant's own carrier and before discovering charges on their telephone bills they had never heard of Roman. The apparently fabricated TPV recordings and the misrepresentations all support our finding that Roman is conducting business in a fraudulent manner. In addition, all of the TPV recordings provided by Roman are extremely difficult to understand, which, together with the fact that all of the complainants contend that the carrier change was not authorized, supports our conclusion of Roman's egregious conduct.

23. We also find other disturbing inconsistencies in this case that support our finding that Roman is conducting business in a fraudulent manner and actively seeking to escape or thwart regulatory oversight of its activities. In various state commission filings from 2011, Roman identifies Maria Elena Zepeda as president.[56] Roman states in its LOI Response [redacted][57] Yet, Maria Zepeda signed the Colorado Public Utilities Commission Carrier Annual Report, under oath, as "President" of the company on March 22, 2013, over two months after she was allegedly no longer associated with Roman.[58] In addition, Ms. Zepeda, the vice president of Silv and the (former) president of Roman,[59] responded "No" in 2011 to question A-12, in which the Arizona Corporation Commission asked: "Indicate if the Applicant [Roman] or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation . . . within the last ten (10) years." However, the Commission investigated Silv[60] for slamming while Ms. Zepeda was an officer of that company, as did the Michigan Public Service Commission.[61]

24. Given the facts presented here, we find that a further upward adjustment is warranted. Under Section 503 and our forfeiture guidelines, we must take into account the egregious and repeated nature of Roman's actions, as well as the substantial harm that the Company caused consumers. We also take into account the fact that we have previously investigated Silv and United for slamming and misrepresentation; because the principals of those companies also serve or served as the principals of

[55] Complaint from T. Stenberg.

[56] *See, e.g.*, Oklahoma Corp. Comm'n Application, *supra* note 10; Roman LD, Inc., Application for a Certificate of Public Convenience and Necessity, *For Authority to Provide Non-Facilities-Based Interexchange Telecommunications Services Within the State of Arkansas*, Docket No. 12-019-U, Arkansas Pub. Serv. Comm'n (filed Mar. 21, 2011), *available at* http://www.apscservices.info/pdf/12/12-019-u_1_1.pdf; Alabama PSC Application, *supra* note 9.

[57] LOI Response at 2.

[58] *See* Roman LD, Inc., Colorado Public Utilities Commission Competitive Carrier Annual Report 2012, Docket No. 13M-0104T, Colorado Pub. Util. Comm'n (filed Apr. 8, 2013), *available at* https://www.dora.state.co.us/pls/efi/EFI.Show_Filing?p_session_id=&p_fil=G_155756 (click link titled "roman ld.pdf").

[59] *See* Roman LD, Inc., Application and Petition for Certificate of Convenience and Necessity to Provide Intrastate Telecommunications Services, Docket No. T-20820A-11-0369, Arizona Corporation Commission at A-12 (filed Oct. 7, 2011), *available at* http://images.edocket.azcc.gov/docketpdf/0000129758.pdf.

[60] Silv responded to the Bureau's Letters of Inquiry on Sept. 25, 2009, Dec. 4, 2009, and Dec. 11, 2009. *See Silv NAL*, 25 FCC Rcd 5179, para. 2.

[61] *See Home Instead Senior Care v. Silv Communication Inc*., U-14584, 2006 WL 287149 (Mich. P.S.C. Jan. 31, 2006).

Roman, we find that Roman was on actual notice that such conduct likely violated the Act and our rules.[62] Given the circumstances here, the extent of Roman's improper conduct, the repeated warnings from the Commission that slamming and misrepresentations would not be tolerated,[63] we find that an additional upward adjustment of $1,560,000 is appropriate.[64]

25. Finally, Section 1.80 of the Commission's rules establishes a base forfeiture amount of $8,000 for an "unauthorized substantial transfer of control."[65] The Commission has applied that same forfeiture amount to substantial transfers of international Section 214 authority.[66] Roman engaged in two unauthorized substantial transfers of control. These two unauthorized Section 214 transactions were continuing violations.[67] Taking into account the duration of the violation and applying the factors set forth in Section 503(b)(2)(E) of the Act as well as Commission precedent,[68] we find that the appropriate forfeiture amount for the two unauthorized substantial transfers of control is twenty thousand dollars ($20,000).

IV. CONCLUSION

26. Based on the facts and record before us, we have determined that Roman has apparently willfully and repeatedly violated Sections 201(b) and 258 of the Act and Section 64.1120 of the Commission's rules as well as Section 214 of the Act and Sections 63.03, 63.04, 63.18, and 63.24 of the Commission's rules and we propose a forfeiture amount of $5,900,000.

V. ORDERING CLAUSES

27. Accordingly, **IT IS ORDERED** that, pursuant to Section 503(b) of the Act[69] and Section 1.80 of the Commission's rules,[70] Roman LD, Inc. is hereby **NOTIFIED** of this **APPARENT LIABILITY FOR FORFEITURE** in the amount of five million nine hundred thousand dollars $5,900,000, for willful and repeated violations of Sections 201(b), 214, and 258 of the Act,[71] and Sections 63.03, 63.04, 63.18, 63.24, and 64.1120, of the Commission's rules.[72]

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[62] The *Silv NAL* was released on May 12, 2010 and the *United NAL* was released on Dec. 20, 2012, both well before the actions arising from the complaints occurred.

[63] *See, e.g.*, *Central NAL*, 29 FCC Rcd at 5531, para. 28; *USTLD NAL*, 29 FCC Rcd at 837, para. 27; *CTI NAL*, 28 FCC Rcd at 17209, para. 29; *Advantage NAL*, 28 FCC Rcd at 6855–56, para. 30; *Main Street NAL*, 26 FCC Rcd at 8861, para. 24 (stating "we may propose more significant forfeitures in the future as high as is necessary, within the range of our statutory authority, to ensure that such companies do not charge consumers for unauthorized services.").

[64] The Commission has proposed similar upward adjustments for egregious behavior in recent slamming and cramming cases. *See Central NAL*, 29 FCC Rcd at 5531, para. 28 (proposing an upward adjustment of $1,500,000 to the base forfeiture of $1,960,000); *USTLD NAL*, 29 FCC Rcd at 837, para. 27 (proposing an upward adjustment of $2,000,000 to the base forfeiture of $2,480,000); *CTI NAL*, 28 FCC Rcd at 17209, para. 29 (proposing an upward adjustment of $1,500,000 to the base forfeiture of $1,560,000). These prior NALs also included additional upward adjustments of $500,000 or $750,000 for targeting elderly consumers.

[65] *See* 47 C.F.R. § 1.80(b)(6), Note to paragraph (b)(6).

[66] *Id.*

[67] *See supra* para. 17 & note 41.

[68] *See* 47 U.S.C. § 503(b)(2)(E); *Stanacard NAL*, 28 FCC Rcd at 87, para. 14 (upwardly adjusting the forfeiture amounts for unauthorized domestic and international transfers of control to $20,000).

[69] 47 U.S.C. § 503(b).

[70] 47 C.F.R. § 1.80.

[71] 47 U.S.C. §§ 201(b), 214, 258.

[72] 47 C.F.R. §§ 63.03, 63.04, 63.18, 63.24, 64.1120.

28. **IT IS FURTHER ORDERED** that, pursuant to Section 1.80 of the Commission's rules,[73] within thirty (30) calendar days of the release date of this Notice of Apparent Liability for Forfeiture, Roman LD, 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 32 below.

29. Payment of the forfeiture must be made by check or similar instrument, wire transfer, or credit card, and must include the NAL/Account Number and FRN referenced above. Roman LD, Inc. shall send electronic notification of payment to Johnny Drake at johnny.drake@fcc.gov on the date said payment is made. Regardless of the form of payment, a completed FCC Form 159 (Remittance Advice) must be submitted.[74] When completing the FCC Form 159, enter the Account Number in block number 23A (call sign/other ID) and enter the letters "FORF" in block number 24A (payment type code). Below are additional instructions that should be followed based on the form of payment selected:

- Payment by check or money order must be made payable to the order of the Federal Communications Commission. Such payments (along with the completed Form 159) must be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank–Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.
- Payment by wire transfer must be made to ABA Number 021030004, receiving bank TREAS/NYC, and Account Number 27000001. To complete the wire transfer and ensure appropriate crediting of the wired funds, a completed Form 159 must be faxed to U.S. Bank at (314) 418-4232 on the same business day the wire transfer is initiated.
- Payment by credit card must be made by providing the required credit card information on FCC Form 159 and signing and dating the Form 159 to authorize the credit card payment. The completed Form 159 must then be mailed to Federal Communications Commission, P.O. Box 979088, St. Louis, MO 63197-9000, or sent via overnight mail to U.S. Bank – Government Lockbox #979088, SL-MO-C2-GL, 1005 Convention Plaza, St. Louis, MO 63101.

30. Any request for making full payment over time under an installment plan should be sent to: Chief Financial Officer—Financial Operations, Federal Communications Commission, 445 12th Street, SW, Room 1-A625, Washington, DC 20554.[75] 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.

31. 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(f)(3) of the Commission's rules.[76] The written statement must be mailed to the Office of the Secretary, Federal Communications Commission, 445 12th Street, SW, Washington, DC 20554, ATTN: Enforcement Bureau, Telecommunications Consumers Division, and to Richard A. Hindman, Chief, Telecommunications Consumers Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, SW, Washington, DC 20554, and must include the NAL/Account Number referenced in the caption. The statement must also be e-mailed to Mika Savir and Erica McMahon at mika.savir@fcc.gov and erica.mcmahon@fcc.gov.

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[73] 47 C.F.R. § 1.80.

[74] An FCC Form 159 and detailed instructions for completing the form may be obtained at http://www.fcc.gov/Forms/Form159/159.pdf.

[75] *See* 47 C.F.R. § 1.1914.

[76] 47 C.F.R. §§ 1.16, 1.80(f)(3).

32. The Commission will not consider reducing or canceling a forfeiture in response to a claim of inability to pay unless the petitioner submits: (1) federal tax returns for the most recent three-year period; (2) financial statements prepared according to generally accepted accounting practices; or (3) some other reliable and objective documentation that accurately reflects the petitioner's current financial status. Any claim of inability to pay must specifically identify the basis for the claim by reference to the financial documentation.

33. **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 the owner of Roman LD, Inc., Monotaz Begum, Roman LD, Inc., 2300 Valley View Lane, Suite 730, Irving, TX 75062 and to Roman LD, Inc.'s attorney, Cheng-Yi Liu, Fletcher, Heald & Hildreth, 1300 North 17th Street, 11th Floor, Arlington, VA 22209.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

APPENDIX

	Complainant	Date of carrier change	Apparent violation
1.	[redacted]	4/21/14	Section 258 slam
2.	C. Saenz/La Plaza Mexican Grill	4/21/14	Section 258 slam
3.	[redacted]	4/22/14	Section 258 slam
4.	[redacted]	4/23/14	Section 258 slam
5.	[redacted]	4/25/14	Section 258 slam
6.	[redacted]	4/25/14	Section 258 slam
7.	[redacted]	4/29/14	Section 258 slam
8.	[redacted]	4/30/14	Section 258 slam
9.	D. Bloomer/Transition Roofing	5/1/14	Section 258 slam
10.	G. Garcia American Insurance of South Florida FCC # 14-C589052	5/4/14	Section 201(b) misrepresentation; Section 258 slam
11.	[redacted]	5/7/14	Section 258 slam
12.	P. Mabry/ Mabry's Air Conditioning and Heating TX PUC	5/8/14	Section 258 slam
13.	S and R Feed/R. Cribbs	5/8/14	Section 258 slam
14.	[redacted]	5/13/14	Section 258 slam
15.	[redacted]	5/13/14	Section 258 slam
16.	[redacted]	5/15/14	Section 258 slam
17.	[redacted]	5/16/14	Section 258 slam
18.	[redacted]	5/28/14	Section 258 slam
19.	[redacted]	6/3/14	Section 258 slam
20.	[redacted]	6/6/14	Section 258 slam
21.	[redacted]	6/6/14	Section 258 slam
22.	[redacted]	6/16/14	Section 258 slam
23.	[redacted]	6/17/14	Section 258 slam
24.	Pinot's Palette/N. Pauley	6/17/14	Section 201(b) misrepresentation; Section 258 slam
25.	[redacted]	6/19/14	Section 258 slam
26.	[redacted]	6/20/14	Section 258 slam

27.	[redacted]	6/20/14	Section 258 slam
28.	[redacted]	6/20/14	Section 258 slam
29.	K. Estes FCC# 14-C00609506	6/21/14	Section 201(b) misrepresentation; Section 258 slam
30.	[redacted]	6/24/14	Section 258 slam
31.	[redacted]	6/25/14	Section 258 slam
32.	[redacted]	7/1/14	Section 258 slam
33.	[redacted]	7/1/14	Section 258 slam
34.	Joe's Pizza and Pasta/G. Sula	7/1/14	Section 258 slam
35.	[redacted]	7/2/14	Section 258 slam
36.	Game Switch/N. Black	7/2/14	Section 258 slam
37.	[redacted]	7/8/14	Section 258 slam
38.	S. Pawlski/Classic Wholesale Stamp Co.	7/8/14	Section 258 slam
39.	V. Mora/Mora Agency	7/10/14	Section 258 slam
40.	[redacted]	7/15/14	Section 258 slam
41.	C. Nhan/Best Sea Pack of Texas TX PUC	7/16/14	Section 201(b) misrepresentation; Section 258 slam
42.	T. Perry/Openroad Coffee, LLC	7/17/14	Section 258 slam
43.	D. Guelker/Big Country Water, LLC TX PUC	7/19/14	Section 258 slam
44.	J. Groff/Educare Child Care TX PUC	7/21/14	Section 258 slam
45.	[redacted]	7/22/14	Section 258 slam
46.	[redacted]	7/23/14	Section 258 slam
47.	[redacted]	7/23/14	Section 258 slam
48.	Southern Style Designs/R. Simonds	7/25/14	Section 201(b) misrepresentation; Section 258 slam
49.	[redacted]	7/29/14	Section 258 slam
50.	[redacted]	7/28/14	Section 258 slam
51.	[redacted]	7/30/14	Section 258 slam
52.	[redacted]	7/31/14	Section 258 slam
53.	Ogburn's Truck Parts/R.	7/31/14	Section 258 slam

	Smith		
54.	C. Hurt/Hurt's Auto and Truck	8/5/14	Section 258 slam
55.	N. Berryman	8/7/14	Section 258 slam
56.	H. Garrett	8/11/14	Section 258 slam
57.	Atlantic Animal Clinic/M. Lereu	8/12/14	Section 201(b) misrepresentation; Section 258 slam
58.	Stan's Airboat Service	8/14/14	Section 201(b) misrepresentation; Section 258 slam
59.	T. Williams/Flowertown Wine and Spirits	8/14/14	Section 201(b) misrepresentation; Section 258 slam
60.	[redacted]	8/18/14	Section 258 slam
61.	Cornerstone Funding, LLC/K. Harrington	8/19/14	Section 258 slam
62.	S. Cole/Guilty Couture	8/21/14	Section 258 slam
63.	[redacted]	8/25/14	Section 258 slam
64.	[redacted]	8/25/14	Section 258 slam
65.	[redacted]	8/26/14	Section 258 slam
66.	S. Skjolsvik/Master's TVs and Appliances	9/4/14	Section 258 slam
67.	J. Doigg /Carpet Care	9/4/14	Section 201(b) misrepresentation; Section 258 slam
68.	J. Debus/John and Gretchen LLC	9/4/14	Section 258 slam
69.	E. Erdely FCC# 14-S003903	9/5/14	Section 258 slam
70.	Capstone Counseling/D. Erickson	9/5/14	Section 201(b) misrepresentation; Section 258 slam
71.	Systems Furniture Installation/C. Stevens	9/5/14	Section 258 slam
72.	Happy Trails RV Repair/M. Lewis	9/8/14	Section 258 slam
73.	M. Bazan/Dr. Smart Phones	9/10/14	Section 258 slam
74.	Cordell Tag Agency/V. Fariss	9/10/14	Section 258 slam
75.	D. Sheridan/Modern Home Patio and Carport	9/15/14	Section 201(b) misrepresentation; Section 258 slam
76.	Country Challenge Diner/V. Lanning	9/15/14	Section 258 slam
77.	S. Huck/ Mobileone, LLC FCC# 3586	9/23/14	Section 258 slam
78.	J. Klein/Klein Glass and	10/8/14	Section 201(b)

	Mirror TX PUC		misrepresentation; Section 258 slam
79.	Graphic Results/K. Ethredge FCC# 72997	10/21/14	Section 201(b) misrepresentation and fabricated TPV; Section 258 slam
80.	K. Sidney FCC# 40249	10/21/14	Section 201(b) misrepresentation and fabricated TPV; Section 258 slam