



**Federal Communications Commission**

Enforcement Bureau  
Investigations and Hearings Division  
45 L Street, NE  
Washington, DC 20554

**November 8, 2024**

**DA 24-1130**

**VIA E-MAIL**

Mr. Issa Asad  
Chief Executive Officer  
Q Link Wireless LLC  
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**VIA E-MAIL and HAND DELIVERY**

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Re: Notice of suspension and initiation of debarment proceeding  
File No. EB-IHD-24-00037461

Dear Messrs. Asad, Nakahata, and Feder:

The Enforcement Bureau (Bureau) of the Federal Communications Commission (Commission or FCC) has received notice of the conviction of Q Link Wireless, LLC (Q Link or Company) for conspiring to commit offenses against the United States, specifically, (a) wire fraud, (b) theft of government funds, and (c) defrauding the United States, in violation of 18 U.S.C. §§ 1343, 641, and 371, respectively, all in connection with fraudulent claims against the federal Lifeline program (Lifeline program).<sup>1</sup> The

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<sup>1</sup> Any further reference in this letter to "conviction" refers to Q Link's guilty plea agreement and factual proffer in *United States v. Q Link Wireless LLC*, Criminal Docket No. 1:24-cr-20363-RAR, Plea Agreement (S.D. Fla., filed Oct. 15, 2024) (*Plea Agreement*). See also *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, CC Docket No. 96-45, WC Docket No. 03-109, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656 (2012) (*Lifeline Reform Order*).

conspiracy involved submitting and causing to be submitted “false and fraudulent claims to the FCC Lifeline program for [Q Link] customers who were not using their cellphones according to the FCC usage rules.”<sup>2</sup> Consequently, pursuant to 47 C.F.R. § 54.8(e)(1), this letter constitutes official notice of Q Link’s suspension from the Lifeline program and all federal universal service support mechanisms as set forth below.<sup>3</sup>

Effective immediately upon receipt of this letter, Q Link is prohibited from participating in or receiving any benefit associated with the Lifeline program as well as any other program funded by federal universal service support mechanisms.

The Bureau hereby is also commencing a proceeding to debar Q Link from future participation in all federal universal support mechanisms.<sup>4</sup> The Commission is required by its rules to debar Q Link “absent extraordinary circumstances,” notwithstanding any criminal process to which Q Link is subject.<sup>5</sup>

## **I. Notice of Suspension**

Any corporation that has “defrauded the government or engaged in similar acts through activities associated with or related to the [Lifeline program]” may be prohibited from receiving the benefits associated with that program.<sup>6</sup> The Lifeline program is a government program that provides support to eligible telecommunications carriers (ETCs) that in turn offer discounts on telephone and broadband service for eligible low-income consumers.<sup>7</sup> An ETC may receive reimbursement in connection with the Lifeline program only if it certifies as part of its reimbursement request that it is in compliance with the Lifeline rules.<sup>8</sup>

Q Link has participated in the Lifeline program since 2012. On October 15, 2024, Q Link pleaded guilty to “conspiring to defraud and commit offenses against the United States in connection with a years-long scheme to steal over \$100 million from a celebrated federal program providing discounted

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<sup>2</sup> *United States v. Q Link Wireless LLC*, Criminal Docket No. 1:24-cr-20363-RAR, Factual Proffer, at 3 (S.D. Fla., filed Oct. 15, 2024) (*Proffer*).

<sup>3</sup> 47 C.F.R. § 54.8.

<sup>4</sup> *Id.*; 47 C.F.R. § 0.111 (delegating to the Bureau authority to resolve universal service suspension and debarment proceedings). In 2007, the Commission extended the debarment rules to apply to all federal universal service support mechanisms, including Lifeline. See *Comprehensive Review of the Universal Service Fund Management, Administration, & Oversight*, Report and Order, 22 FCC Rcd 16372, 16410–12 (2007) (*Program Management Order*) (renumbering Section 54.521 of the universal service debarment rules as Section 54.8 and amending subsections (a)(1), (a)(5), (c), (d), (e)(2)(i), (e)(3), (e)(4), and (g)).

<sup>5</sup> 47 C.F.R. § 54.8(b); *Plea Agreement* at 3–4.

<sup>6</sup> *Program Management Order*, 22 FCC Rcd at 16387, para. 32. The Commission’s debarment rules define a “person” as “[a]ny individual, group of individuals, corporation, partnership, association, unit of government or legal entity, however organized.” 47 C.F.R. § 54.8(a)(6).

<sup>7</sup> See *Lifeline Reform Order*, *supra* note 1, 27 FCC Rcd at 6662–67, paras. 11–18; see also 47 C.F.R. §§ 54.400–54.424.

<sup>8</sup> See 47 C.F.R. § 54.407(d).



phone service to people in need.”<sup>9</sup> Q Link’s misleading practices, deceptive call activity, falsified documents and threatening customer service scripts coerced customers into accepting Lifeline services and agreeing to remain its customers.<sup>10</sup> Q Link knew that the Lifeline usage requirements required it to disenroll and stop seeking reimbursement for customers who had not used their cellphones in a 45-day window (90-day window for 2016), yet it continued to bill the Lifeline program for Q Link customers that were no longer eligible because they were not using, and in some instances, no longer even had their cellphones.<sup>11</sup> Between 2013 and 2019, Q Link received \$618,736,494 from the Lifeline program.<sup>12</sup> Approximately 21 percent of Q Link’s payments during this period were due to its fraudulent scheme.<sup>13</sup>

Pursuant to Section 54.8(b) of the Commission’s rules,<sup>14</sup> Q Link’s conviction requires the Bureau to suspend it, absent extraordinary circumstances, from: (a) participating in any activities associated with or related to the Lifeline program, including receiving funds or discounted services through the Lifeline program, or consulting with, assisting, or advising applicants or service providers regarding the Lifeline program; and (b) participating in any activities associated with or related to all federal universal service support mechanisms.<sup>15</sup> Q Link’s suspension becomes effective upon either (i) its receipt of this letter, or (ii) publication of the suspension in the Federal Register, whichever occurs first.<sup>16</sup>

In accordance with the Commission’s suspension and debarment rules, Q Link may contest this suspension or its scope by filing arguments, with any relevant documents, within thirty (30) calendar days of its receipt of this letter or publication of the suspension in the Federal Register, whichever occurs first.<sup>17</sup> Such requests, however, will not ordinarily be granted.<sup>18</sup> The Bureau may reverse or further limit the scope of a suspension only upon a finding of extraordinary circumstances.<sup>19</sup> The Bureau will decide any request to reverse or modify a suspension within ninety (90) calendar days of its receipt of such request.<sup>20</sup>

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<sup>9</sup> UNITED STATES ATTORNEY’S OFFICE, SOUTHERN DISTRICT OF FLORIDA, Press Release, *Nationwide Telecommunications Provider and its CEO Plead Guilty to Massively Defrauding Federal Government Programs Meant to Aid the Needy*, October 15, 2024, <https://www.justice.gov/usao-sdfl/pr/nationwide-telecommunications-provider-and-its-ceo-plead-guilty-massively-defrauding> (last visited Oct. 22, 2024).

<sup>10</sup> *Proffer*, *supra* note 2, at 2-5.

<sup>11</sup> *See generally Proffer*, *supra* note 2.

<sup>12</sup> *Id.* at 6.

<sup>13</sup> *Id.*

<sup>14</sup> 47 C.F.R. § 54.8(a)(4); *see Program Management Order*, *supra* note 4, 22 FCC Rcd at 16387, para. 32.

<sup>15</sup> 47 C.F.R. §§ 54.8(a)(1), (d).

<sup>16</sup> *Id.* § 54.8(e)(1).

<sup>17</sup> *Id.* § 54.8(e)(4).

<sup>18</sup> *Id.*

<sup>19</sup> *Id.* § 54.8(f).

<sup>20</sup> *Id.* §§ 54.8(e)(5), (f).

## II. Initiation of Debarment Proceedings

In addition to Q Link's immediate suspension from all universal service support mechanisms as described above, including the Lifeline program, its conviction is cause for debarment as defined in Section 54.8(c) of the Commission's rules.<sup>21</sup> Therefore, pursuant to Section 54.8(b) of the Commission's rules, Q Link's conviction requires the Bureau to commence debarment proceedings against it.<sup>22</sup>

As with the suspension process, Q Link may contest the proposed debarment or its scope by filing arguments and any relevant documentation within thirty (30) calendar days of receipt of this letter or its publication in the Federal Register, whichever occurs first.<sup>23</sup> The Bureau, in the absence of extraordinary circumstances, will notify Q Link of its decision to debar within ninety (90) calendar days of receiving any information it may have filed.<sup>24</sup> If the Bureau decides to debar the Company, its decision will become effective upon either Q Link's receipt of a debarment notice or publication of the decision in the Federal Register, whichever occurs first.<sup>25</sup>

If and when Q Link's debarment becomes effective, it will be prohibited from participating in activities associated with or related to all federal universal service support mechanisms, including the Lifeline program, for at least three years from the date of debarment.<sup>26</sup> The Bureau may set a longer debarment period or extend an existing debarment period if necessary to protect the public interest.<sup>27</sup> Pursuant to the Commission's rules, should Q Link choose to contest the scope or length of any such debarment, it must file arguments and any relevant documentation within thirty (30) calendar days of receipt of notice or publication in the Federal Register of such debarment, whichever is earlier.<sup>28</sup>

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<sup>21</sup> "Causes for suspension and debarment are conviction of or civil judgment for attempt or commission of criminal fraud, theft, embezzlement, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice and other fraud or criminal offense arising out of activities associated with or related to the schools and libraries support mechanism, the high-cost support mechanism, the rural healthcare support mechanism, and the low-income support mechanism." *Id.* § 54.8(c). Associated activities "include the receipt of funds or discounted services through [the federal universal service] support mechanisms, or consulting with, assisting, or advising applicants or service providers regarding [the federal universal service] support mechanisms." *Id.* § 54.8(a)(1).

<sup>22</sup> *Id.* § 54.8(b), (e)(1).

<sup>23</sup> *Id.* § 54.8(e)(3).

<sup>24</sup> *Id.* § 54.8(e)(5).

<sup>25</sup> *Id.* The Commission may reverse a debarment, or may limit the scope or period of debarment, upon a finding of extraordinary circumstances, following the filing of a petition by you or an interested party or upon motion by the Commission. *Id.* § 54.8(f).

<sup>26</sup> *Id.* § 54.8(d), (g). We note that under the Plea Agreement Q Link shall not participate, directly or indirectly, in any program administered by the FCC as of the time of sentencing currently scheduled for January 15, 2025. Plea Agreement, *supra* note 1, at para. 8

<sup>27</sup> 47 C.F.R. § 54.8(g).

<sup>28</sup> *Id.* § 54.8(e)(4).



### III. Non- Compliance

In the *2012 Lifeline Order*, the Commission implemented a compliance plan requirement for any carrier that is seeking to become an ETC without offering service, at least in part, over its own facilities.<sup>29</sup> In its Lifeline compliance plan, a carrier must describe and adhere to certain protections designed to protect consumers and the Universal Service Fund.<sup>30</sup> The Lifeline compliance plan must: (1) outline the measures the carrier will take to comply with program rules, including requirements related to enrollment, submitting claims for reimbursement, materials related to certifications, and program integrity safeguards, and (2) provide a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier's corporate structure and Lifeline service plan offerings.<sup>31</sup> Q Link submitted a Lifeline compliance plan to receive forbearance from the statute's facilities requirement, and that Lifeline compliance plan was approved on August 8, 2012.<sup>32</sup>

Following an investigation led by the Department of Justice, on October 14, 2024, Q Link pleaded guilty to conspiring to defraud and commit related offenses in connection with a scheme involving the Lifeline program which indicates Q Link has violated and is not in compliance with the terms of its compliance plan. The Commission is also aware that [REDACTED]

Corporate operations related to the control of an ETC are material aspects of a Lifeline compliance plan.<sup>33</sup> As such, any change to the control of a non-facilities-based ETC without prior approval from the Wireline Competition Bureau is a violation of the Lifeline compliance plan requirement.<sup>34</sup>

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<sup>29</sup> See 47 U.S.C. § 214(c)(1)(a); see also *Lifeline and Link Up Reform and Modernization; Lifeline and Link Up; Federal-State Joint Board on Universal Service; Advancing Broadband Availability Through Digital Literacy Training*, WC Docket Nos. 11-42, 03-109, 96-45, and 12-23, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6813, para. 368 (2012) (*2012 Lifeline Order*) (establishing the Lifeline compliance plan requirement as a condition to receiving forbearance from the statute's requirement that ETCs offer service at least in part over their own facilities).

<sup>30</sup> *2012 Lifeline Order*, 27 FCC Rcd at 6816, para. 379.

<sup>31</sup> *Id.*

<sup>32</sup> See *Wireline Competition Bureau Approves the Compliance Plans for Birch Communications, Boomerang Wireless, IM Telecom, Q Link Wireless, and TAG Mobile*, WC Docket Nos. 09-197 and 11-42, Public Notice, 27 FCC Rcd 9184 (WCB 2012).

<sup>33</sup> See *Wireline Competition Bureau Reminds Carriers of Eligible Telecommunications Carrier Designation and Compliance Plan Approval Requirements for Receipt of Federal Lifeline Universal Service Support*, WC Docket Nos. 09-197 and 11-42, Public Notice, 29 FCC Rcd 9144, 9145 (WCB 2014).

<sup>34</sup> See *id.*

Please direct any response as follows:

*If sent by messenger or hand delivery, or by commercial overnight mail (other than U.S. Postal Service Priority Mail, Priority Mail Express, and Priority Mail), the response must be sent to Marlene H. Dortch, Secretary, Federal Communications Commission, to the attention of Christopher J. Sova, Acting Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 9050 Junction Drive, Annapolis Junction, MD, 20701. Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD, 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.*

*If sent by First-Class Mail, Priority Mail Express, or Priority Mail, the response must be sent to Christopher J. Sova, Acting Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 45 L Street, NE, Washington, DC 20554.*

You must also transmit an electronic copy of the response and all Documents produced with the response via e-mail to [IHDTelecom@fcc.gov](mailto:IHDTelecom@fcc.gov). The electronic copy shall be produced in a format that allows the Commission to access and use it, together with instructions and all other materials necessary to use or interpret the data, including record layouts, data dictionaries, and a description of the data's source. If you have any questions, please contact Christina Thomas at [Christina.Thomas@fcc.gov](mailto:Christina.Thomas@fcc.gov) or (202) 418-1879.

Sincerely,



Christopher J. Sova  
Acting Chief  
Investigations and Hearings Division  
Enforcement Bureau

cc: Fred Theobald, Universal Service Administrative Company (via e-mail)  
Matthew Menchel, Esq., Kobre & Kim LLP (via e-mail)  
Michael Sherwin, Esq., Kobre & Kim LLP (via e-mail)  
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