

REQUEST TO ESTABLISH DOCKET (Please type or print. File original with CLK.)		
Date:	10/21/2024	
1. From Division / Staff:	Idm / Gregory Fogleman	
2. OPR:	IDM	
3. OCR:	GCL	
4. Suggested Docket Title:	Involuntary revocation of Q LINK WIRELESS LLC'S Eligible Telecommunication Carrier designation	
5. Program/Module/Submodule Assignment:	B1j	
6. Suggested Docket Mailing List		
a. Provide NAMES/ACRONYMS, if registered company		<input type="checkbox"/> Provided as an Attachment
Company Code, if applicable:	Parties (include address, if different from MCD):	Representatives (name and address):
	Q Link Wireless, 499 East Sheridan St, Suite 400, Dania, Florida 33004	Lance J.M. Steinhart, 1725 Windward Concourse, Suite 150, Alpharetta, Georgia 30005
		Issa Asad, 499 East Sheridan St, Suite 400, Dania, Florida 33004
		Rafael Carvajal, 499 East Sheridan St, Suite 400, Dania, Florida 33004
		Mavbell Kelly, 499 East Sheridan St, Suite 400, Dania, Florida 33004
b. Provide COMPLETE NAME AND ADDRESS for all others (match representatives to companies)		
Company Code, if applicable:	Interested persons, if any, (include address, if different from MCD):	Representatives (name and address):
7. Check one:	<input checked="" type="checkbox"/> Supporting documentation attached <input type="checkbox"/> To be provided with Recommendation	
Comments: E-mail address: Steinhart - lsteinhart@telecomcounsel.com Asad - issa@quadrantholdings.com Carvajal - carvajal@quadrantholdings.com Kelly - reg@qlinkwireless.com		

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FCC Office of Media Relations:

MediaRelations@fcc.gov

FCC Office of Inspector General:

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Department of Justice Public Affairs:

U.S. Attorney's Office, Southern District of Florida

USAFLS.News@usdoj.gov

For Immediate Release

**NATIONWIDE TELECOMMUNICATIONS PROVIDER AND ITS CEO
PLEAD GUILTY TO MASSIVELY DEFRAUDING FEDERAL
GOVERNMENT PROGRAMS MEANT TO AID THE NEEDY**

Note: This Release Was First Posted on the Justice Department Website

MIAMI, October 15, 2024—Issa Asad, 51, of Southwest Ranches, Fla., and Q Link Wireless LLC, of Dania Beach, Fla., pleaded guilty today 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 phone service to people in need. Asad, Q Link's CEO, also pleaded guilty to laundering money from a separate scheme to defraud a different federal program meant to aid individuals and businesses hurt by the Covid-19 pandemic.

Asad and Q Link each pleaded guilty to Count 1 of an Information, which charges them with conspiring to commit wire fraud and to steal government money, and also with conspiring to defraud the United States, in violation of Title 18, United States Code, Section 371. Asad pleaded guilty as well to Count 2 of the Information, which charges him with money laundering in violation of Title 18, United States Code, Section 1957. Both defendants also pleaded guilty to the Information's forfeiture allegations. U.S. District Judge Rodolfo A. Ruiz II accepted the guilty pleas and set the Defendants' sentencing hearings for Jan. 15, 2025, at 1:30 p.m.

Asad's plea agreement contains a joint recommendation that he serve the statutory maximum sentence of 5 years' imprisonment on Count 1. The statutory maximum sentence on Count 2 is 10 years' imprisonment. Asad's exact sentence will be determined by the Court after considering the U.S. Sentencing Guidelines and other statutory factors.

Asad and Q Link also agreed to pay jointly \$109,637,057 in restitution to the Federal Communications Commission (FCC) no later than the time of their sentencing hearings. Asad separately agreed to pay \$1,758,339.25 in restitution to the U.S. Small Business Administration (SBA), and to a forfeiture judgment against him of at least \$17,484,118.00.

“Issa Asad and his company, Q Link Wireless, purposefully defrauded two critical federal programs helping individuals and businesses suffering financial hardship, unlawfully taking hundreds of millions of dollars for their own use and profit, while obstructing the United

States' ability to help people who, unlike the Defendants, needed it," said U.S. Attorney Markenzy Lapointe for the Southern District of Florida. "The plea agreements in this case impose extraordinary and unprecedented financial penalties, as they should. They also reflect our Office's commitment to ensuring that individuals who orchestrate business scams are punished personally, not just corporations. That Asad cheated two different programs meant to help people in need makes this prosecution even more imperative. We will continue to investigate and prosecute vigorously all types of fraud, whether perpetrated by individuals or businesses, and seek justice for victims of these scams."

"Brazen fraud schemes that prey on vulnerable populations and target federal telephone and broadband subsidy programs, designed to ensure that low-income consumers can access critical telecommunications services, demand the most serious punishments like the ones included in today's plea agreement," said FCC Inspector General Fara Damelin. "This result was made possible by dedicated investigators and our investment in a robust data analytics capability. The FCC OIG is committed to using all of our resources, and working with our outstanding law enforcement partners, to investigate and hold accountable those who abuse the FCC's public subsidy programs and to protect all those who rely on them to stay connected."

"Stealing over \$100 million for programs meant to support people in times of need is a crime against the entire nation," said Juan A. Vargas, Inspector in Charge, U.S. Postal Inspection Service (USPIS), Miami Division. "Asad and Q Link's guilty pleas send a clear message: those who cheat the government for personal gain will be held accountable."

"This is precisely the type of conduct IRS Criminal Investigation and our law enforcement partners are committed to deterring," said Kareem Carter, Executive Special Agent in Charge of the Internal Revenue Service - Criminal Investigation (CI), Washington, D.C. Field Office. "These crimes are far from victimless, as they financially harm taxpayers and erode public trust in our government. I want to extend my gratitude to our law enforcement partners for their unwavering commitment to safeguarding the integrity of federal relief programs and ensuring that the system works for those it was designed to help."

"SIGPR is proud to have played a significant role teaming with its law enforcement partners in exposing Q Link Wireless LLC and CEO Issa Asad for operating schemes to defraud the FCC and the SBA's federal program meant to aid individuals and businesses hurt by the Covid-19 pandemic, in addition to using some of the proceeds outside the U.S.," said Brian Miller, the Special Inspector General for Pandemic Recovery (SIGPR).

According to court records, the cases arose out of the Defendants' scheme to defraud the FCC's Lifeline program. Lifeline makes basic communications services more affordable for low-income consumers. It provides subscribers a deep discount on qualifying monthly cellphone service, broadband Internet service, or bundled voice-broadband packages purchased from participating telecommunications providers. The discount helps ensure that low-income consumers can afford 21st century connectivity services and the access they provide to jobs, healthcare, and educational resources.

During their guilty pleas today, the Defendants agreed that they purposefully conspired to defraud this program. Specifically, beginning as early as 2012 and continuing through at least 2021, Q Link, directed by Asad, its CEO, cheated the Lifeline program by making repeated false claims for reimbursement, taking and retaining Lifeline funds that it was not entitled to receive, providing false information about its Lifeline customers, and deceiving the FCC about its compliance with program rules. Asad directed these illegal activities and conspired with others to commit the fraud.

Among other things, according to court records, the Defendants engaged in multiple tricks designed to mislead the FCC about how many people were actually using Q Link's Lifeline phones, and to prevent customers who did not want the phones from ending their relationship with Q Link (which would have prevented Q Link from billing the program for them). The Defendants manufactured non-existent cellphone activity and engaged in coercive marketing techniques to get people to remain Q Link customers. On one occasion, for example, the Defendants devised the following automated script to be played for Q Link customers: "Hello, your Medicaid, Food Stamp and Lifeline benefits are about to get cancelled. To avoid cancelation of these benefits, press 1 now to indicate that you wish to remain enrolled in these government programs. Press 2 if you wish to speak to a representative about your government benefits. To opt out of any future calls, press 3." The Defendants used this false and threatening script to coerce customers into accepting Lifeline services. In another recorded call in which a similar script was deployed, a customer who called to cancel due to a non-working cellphone asked the Q Link customer service representative "do you want me to throw it in the garbage?" The representative responded instead: "Just make sure you continue to use the device at least once every 30 days."

Upon learning that the FCC was investigating their Lifeline billing, the Defendants created and provided false records to the FCC to conceal the scam and to continue collecting reimbursement. As part of this plan, the Defendants, with the help of others, simply manufactured cellphone activity on behalf of Q Link customers who were not using their cellphones. At no point did Q Link amend past Lifeline claims for customers who were not using their cellphones or return any of the Lifeline payments.

The plea agreements state that a reasonable estimate of the total actual loss to the FCC that resulted from the conduct of the Defendants and their co-conspirators was \$109,637,057. As part of his plea, Asad admitted that he personally received approximately \$15 million from Q Link as a result of the fraud.

Meanwhile, Asad defrauded another federal government program, the Paycheck Protection Program (PPP), by making false statements about Q Link's business. Congress created the PPP program during the Covid-19 pandemic to authorize forgivable loans to small businesses for job retention and certain other expenses. Asad, in Q Link's name, executed a fraudulent scheme to obtain, and keep, PPP proceeds. To further the scheme, he made false statements about Q Link's business, including a false claim that Q Link's Lifeline reimbursements substantially decreased as a result of the pandemic. According to court records, Asad spent the proceeds of this PPP loan on the construction of a new home. Over \$140,000 in PPP funds were used to make donations to a local university, purchase items at a jewelry store and to pay Asad's property taxes on his residence.

Homeland Security Investigations (HSI) also assisted with this matter.

As part of the Pandemic Response Accountability Committee (PRAC) Fraud Task Force, the Special Inspector General for Pandemic Recovery investigated the COVID-19 fraud related to this case with its other law enforcement partners. The PRAC was established to promote transparency and facilitate coordinated oversight of the federal government's COVID-19 pandemic response. The PRAC's 20 member Inspectors General identify major risks that cross program and agency boundaries to detect fraud, waste, abuse, and mismanagement in the more than \$5 trillion in COVID-19 spending.

Assistant U.S. Attorneys Elizabeth Young, Dan Bernstein, and John Shipley are prosecuting the case. Assistant U.S. Attorneys Joshua Pastor and Sara Klco are handling asset forfeiture.

Present or former Q Link subscribers who seek more information may follow this link at <https://www.justice.gov/usao-sdfl/united-states-v-issa-asad>.

Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or at <http://pacer.flsd.uscourts.gov>, under case number 24-cr-20363.

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Media Relations: (202) 418-0500 / ASL: (844) 432-2275 / Twitter: @FCC / www.fcc.gov

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

Media Contact:

MediaRelations@fcc.gov

For Immediate Release

**CHAIRWOMAN ROSENWORCEL STATEMENT ON GUILTY PLEA
IN LIFELINE FRAUD CASE**

WASHINGTON, October 16, 2024—Federal Communications Commission Chairwoman Jessica Rosenworcel issued the following statement today on the [guilty plea](#) of Q Link Wireless and its CEO, Issa Asad, to conspiring to defraud and commit offenses against the United States in connection with a years-long scheme to steal millions of dollars from the Lifeline program.

“The Lifeline program helps low-income families stay connected via phone and internet to their school, work, or loved ones. Deceptive schemes that exploit at-risk communities and manipulate federal support for phone and broadband services should not go unpunished. I want to thank the dedicated investigators at the FCC and the Justice Department for pursuing this case and bringing the fraudsters behind this scheme to justice. As this investigation escalated, the FCC proactively took extraordinary steps to protect the current Lifeline fund, while preventing any service disruption, including withholding tens of millions in Lifeline payments from Q Link to prevent disbursements that would be in violation of program rules. The FCC will continue to take steps to assist our law enforcement agencies to account for misuse of taxpayer dollars and protect the integrity and success of FCC programs.”

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Office of the Chairwoman: (202) 418-2400 / www.fcc.gov/jessica-rosenworcel

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PRESS RELEASE

Nationwide Telecommunications Provider and its CEO Plead Guilty to Massively Defrauding Federal Government Programs Meant to Aid the Needy

Tuesday, October 15, 2024

For Immediate Release

U.S. Attorney's Office, Southern
District of Florida

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Contact

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Updated October 15, 2024

Topic

FINANCIAL FRAUD

Component

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PRESS RELEASE

Peruvian National Sentenced in Transnational Scheme to Defraud Spanish-Speaking United States Consumers