FEDERAL TRADE COMMISSION
Protecting America's Consumers

For Release: September 22, 2020

Globex Telecom and Associates Will Pay $2.1 Million, Settling FTC's First Consumer Protection Case Against a VoIP Service Provider

Globex's former CEO and others who facilitated credit card interest reduction scheme will be banned from telemarketing to the U.S.

Globex Telecom, Inc. and an affiliated company will pay a total of $1.9 million to settle Federal Trade Commission and State of Ohio charges that they facilitated a scheme that peddled bogus credit card interest rate relief, illegally charging consumers millions of dollars. The settlement marks the end of the FTC's first consumer protection case against a Voice over Internet Protocol (VoIP) service provider.

The FTC and Ohio alleged that Globex provided a company called Educare Centre Services with the means to make calls to U.S. consumers, including illegal robocalls, to market Educare's phony credit card interest rate reduction services.

"Bombarding people with unwanted robocalls is illegal – and so is selling bogus credit card interest rate reduction services with an upfront fee," said Andrew Smith, Director of the FTC's Bureau of Consumer Protection. "We will continue to go after companies like Educare that target people using these unlawful practices, and VoIP service providers like Globex who knowingly help them violate the law."

The FTC and Ohio charged that both Globex and Educare were controlled by Mohammed Souheil, Globex's former CEO and president, who was named in the lawsuit along with a number of other corporations and individuals. All the individuals named in this action are Canadian nationals and reside outside of the U.S.

Mohammad Souheil, Prolink Vision, S.R.L., and 9896988 Canada, Inc.

Souheil, along with two corporations under his control, will be prohibited from participating in any telemarketing in the U.S. and from violating the Telemarketing Sales Rule (TSR). These defendants will also be prohibited from marketing debt relief products or services of any kind, and from using misrepresentations in the sale or marketing of any product or service. They, collectively, are subject to a monetary judgment of $7.5 million, which is largely suspended due to an inability to pay. They will be required to pay $150,000.

Globex Telecom, Inc. and 9506276 Canada, Inc.

In addition to paying $1.95 million, Globex and its U.S.-based subsidiaries will be prohibited from hiring Souheil, any of Souheil's immediate family members, and defendants Charles Kharouf and Sam Madi, to work for Globex or any U.S.-based subsidiary.

These defendants will also be required to abide by client screening and monitoring provisions. For example, Globex and its subsidiaries will not provide VoIP and related services to clients who pay with stored value cards or cryptocurrency, or to clients who do not have a public-facing website or social media presence. They will be required to conduct a screening and review process for all potential clients, and to re-screen any existing client who is subject to a subpoena from the government or similar investigative request.

In addition, Globex and its subsidiaries will be required block any calls made by their clients that appear to come from certain suspicious phone numbers, including emergency numbers like 911, unassigned or invalid numbers, or international numbers that would charge consumers a large amount should they attempt to dial it. They will also be required to block calls using spoofing technology, and to terminate their relationship with any telemarketer or other high-risk client that receives three or more USTelcom Traceback Requests (an official industry complaint about unlawful calls) or line carrier complaints in a 60-day period.

Educare Centre Services, Inc.; Tripletel, Inc.; Sam Madi; Wissam Jalil; and Charles Kharouf

These defendants were sued by the FTC and Ohio for their roles in managing the overseas call centers and other components of the credit card interest rate reduction scheme. Under the terms of their settlements, they will be prohibited from participating in any telemarketing in the United States, from marketing debt relief products or services of any kind, and from using misrepresentations in the sale or marketing of any product or service.

Educare, Madi, and Kharouf will be subject to a judgment of $7.5 million that is largely suspended based on inability to pay. Educare and Madi will be required to forfeit all funds frozen in Educare's bank accounts. Jalil and Tripletel will be subject to a $2.8 million judgment that is largely suspended based on inability to pay. They will be required to forfeit all funds frozen in Tripletel's bank account

If any of the defendants are found to have misrepresented their ability to pay, the full amounts of their judgments will be immediately due.

The Commission vote approving the stipulated final orders was 3-0-2, with Commissioners Rebecca Kelly Slaughter and Christine S. Wilson recorded as not participating. The FTC filed the proposed orders in the U.S. District Court for the Western District of Texas.

NOTE: Stipulated final orders have the force of law when approved and signed by the District Court judge.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about consumer topics and file a consumer complaint online or by calling 1-877-FTC-HELP (382-4357). Like the FTC on Facebook, follow us on Twitter, read our blogs, and subscribe to press releases for the latest FTC news and resources.

CONTACT INFORMATION

CONTACT FOR CONSUMERS:

Consumer Response Center
877-382-4357

MEDIA CONTACT:

Jay Mayfield
Office of Public Affairs
202-326-2656