



Federal Communications Commission
Washington, D.C. 20554

May 30, 2018

Mr. Ruslan Demchenko
Alrus Telecom, Inc.
80 S.W. 8th Street, Suite 2000
Miami, Florida 33130-3038
info@alrus-tele.com
ruslan@alrus-tele.com
rdemchenko@alrus-tele.com

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

**Re: Potential Termination of Alrus Telecom Inc.’s International Section 214
Authorization, File No. ITC-214-20091201-00520**

Dear Mr. Demchenko:

We are forwarding for your response the attached letter submitted on November 8, 2017 by the Department of Justice (DOJ), including the Federal Bureau of Investigation, with the concurrence of the Department of Homeland Security (DHS) (collectively the “Executive Branch Agencies”).¹ The Executive Branch Agencies request that the Federal Communications Commission (Commission) terminate, declare null and void and no longer in effect, and/or revoke Alrus Telecom Inc.’s (Alrus) international authorization.² The Executive Branch Agencies make this request due to Alrus’ inability to provide evidence that it complies with the commitments and undertakings contained in the Letter of Assurance (LOA), a condition of the authorization.³ The Executive Branch Agencies state that they have been unable to communicate with Alrus by email, phone, or by letter.⁴

After having received an international Section 214 authorization, as required by Section 63.21(a) of the Commission’s rules, a carrier “is responsible for the continuing accuracy of the certifications made in its application” and must promptly correct information no longer accurate, “and in any event, within thirty (30) days.”⁵ Alrus has failed to inform the Commission of any

¹ Letter from Richard Sofield, Director, Foreign Investment Review Staff, National Security Division, U.S. Department of Justice, to Marlene H. Dortch, Secretary, FCC (Nov. 8, 2017) (2017 DOJ Letter).

² *Id.* at 1; FCC, International Bureau, International Authorizations Granted, Report No. TEL-01469, Public Notice, 25 FCC Rcd 16939 (IB 2010); Letter from Ruslan Demchenko, President and Chief Executive Officer, Alrus Telecom Inc., to David S. Kris, Assistant Attorney General, National Security Division, U.S. Department of Justice, and David Heyman, Assistant Secretary for Policy, U.S. Department of Homeland Security (Oct. 1, 2010).

³ 2017 DOJ Letter at 1.

⁴ *Id.* at 1-2.

⁵ 47 CFR § 63.21(a).

changes in its business status, as required by section 63.21(a) of the Commission's rules.⁶ As a part of its authorization, Alrus was required to file annual international telecommunications traffic and revenue report as required by Section 43.62 of the Commission's rules.⁷ Section 43.62(b) states that "[n]ot later than July 31 of each year, each person or entity that holds an authorization pursuant to section 214 to provide international telecommunications service shall report whether it provided international services during the preceding calendar year."⁸ We have not received any traffic and revenue reports from Alrus in 2015 or 2016 and Alrus may be in violation of our rules.

We request that you respond to Executive Branch Agencies' allegations and possible violations of the Commission's rules within 30 days from the date of this letter, by **June 29, 2018**. In your response, please describe any steps that you are taking or will take with the Executive Branch Agencies to resolve their concerns. If Alrus is no longer in business, changed its name, or is no longer providing services under its international Section 214 authorization and does not intend to do so in the future, please indicate whether Alrus is surrendering its authorization. A failure to respond to this letter will be deemed as an admission of the facts alleged by the Executive Branch Agencies and the Commission and will result in the issuance of an order terminating Alrus' international Section 214 authorization.

Sincerely,



Denise Coca
Division Chief
Telecommunications & Analysis Division
International Bureau

cc: Agents and Corporations, Inc.
300 Fifth Avenue South, Suite 101-330
Naples, Florida 34102

⁶ *Id.* On April 16, 2018, FCC staff called Alrus' phone of record (305-356-7666) and a receptionist answered for a company called "Orbitalsatcom" not Alrus. The receptionist could not answer any questions concerning Alrus and stated that any inquiries should be sent via email at info@orbitalsatcom.com.

⁷ 47 CFR § 43.62(b). In 2013, the Commission adopted section 43.62(b) of its rules, which went into effect on February 11, 2015. *Reporting Requirements for U.S. Providers of International Telecommunications Services; Amendment of Part 43 of the Commission Rules*, IB Docket No. 04-112, Second Report and Order, 28 FCC Rcd 575 (2013); *Reporting Requirements for U.S. Providers of International Telecommunications Services*, 80 Fed. Reg. 7547 (Feb. 11, 2015). On October 24, 2017, the Commission eliminated the annual traffic and revenue reporting requirement. *Section 43.62 Reporting Requirements for U.S. Providers of International Services; 2016 Biennial Review of Telecommunications Regulations*, IB Docket Nos. 17-55 and 16-131, Report and Order, 32 FCC Rcd 8115 (2017).

⁸ 47 CFR § 43.62(b).