

EXHIBIT 4

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

VOIP-PAL.COM INC.
7215 Bosque Blvd
Suite 102
Waco, TX 76710;

Plaintiff,

v.

AT&T, INC.
175 E Houston Street
San Antonio TX 78205

AT&T CORPORATION
One AT&T Way
Bedminster NJ 07921

AT&T SERVICES, INC.
175 E Houston Street
San Antonio TX 78205

DAVID R. MCATEE II
SCOTT T. FORD
GLENN H. HUTCHINS
WILLIAM E. KENNARD
STEPHEN J. LUCZO
MARISSA A. MAYER
MICHAEL B. MCCALLISTER

CIVIL ACTION NO. 1:24-cv-03051 RDM

JURY TRIAL DEMANDED

BETH E. MOONEY

MATTHEW K. ROSE

JOHN STANKEY

CYNTHIA B. TAYLOR

LUIS A. UBIÑAS

175 E Houston Street

San Antonio TX 78205

Serve all above-named AT&T Defendants on:

CT Corp System

1999 Bryan St.

Ste. 900

Dallas TX 75201-3136

T-MOBILE US, INC

12920 Southeast 38th Street

Bellevue WA 98006

MARK NELSON

ANDRÉ ALMEIDA

MARCELO CLAURE

SRIKANT M. DATAR

SRINIVASAN GOPALAN

TIMOTHEUS HÖTTGES

DR. CHRISTIAN P. ILLEK

JAMES J. KAVANAUGH

RAPHAEL KÜBLER

THORSTEN LANGHEIM

DOMINIQUE LEROY

LETITIA A. LONG

MIKE SIEVERT

TERESA A. TAYLOR

KELVIN R. WESTBROOK

12920 Southeast 38th Street

Bellevue WA 98006

Serve all above-named T-Mobile Defendants
on:

Corporation Service Company

211 E. 7th Street

Suite 620

Austin TX 78701

VERIZON COMMUNICATIONS, INC.

140 West Street

New York NY 10013

Serve on:

Corporation Trust Company

Corporation Trust Center

1209 Orange Street

Wilmington DE 19801

CELLCO PARTNERSHIP dba VERIZON
WIRELESS

One Verizon Way

Basking Ridge, NJ 07920

Serve on:

Corporation Trust Company

Corporation Trust Center
1209 Orange Street
Wilmington DE 19801

VERIZON SERVICES, CORP.

1717 Arch Street
21st Floor
Philadelphia, PA 19103

Serve on:

CT Corporation System

1999 Bryan St.
Ste. 900
Dallas TX 75201-3136

VERIZON BUSINESS NETWORK
SERVICES, INC.

22001 Loudin County Parkway
Ashburn VA 20147

Serve on:

CT Corporation System

1999 Bryan St.
Ste. 900
Dallas, TX 75201-3136

VANDANA VENKATESH

VITTORIO COLAO

SHELLYE L. ARCHAMBEAU

MARK T. BERTOLIN

ROXANNE S. AUSTIN

MELANIE L. HEALEY

LAXMAN NARASIMHAN

CLARENCE OTIS, JR.

DANIEL H. SCHULMAN

RODNEY E. SLATER

CAROL B. TOMÉ

HANS VESTBERG

GREGORY G. WEAVER

140 West Street
New York NY 10013

And

600 Hidden Ridge
Irving TX 75038

Serve on:

Corporation Trust Company

Corporation Trust Center
1209 Orange Street
Wilmington DE 19801

or

CT Corporation System

1999 Bryan St.
Ste. 900
Dallas TX 75201-3136

Defendants.

SECOND AMENDED COMPLAINT

TABLE OF CONTENTS

SECOND AMENDED COMPLAINT	6
TABLE OF CONTENTS	6
INTRODUCTION	9
A. FEDERAL VIOLATIONS ARISING FROM A UNIFIED SCHEME EXCLUDING VoIP-PAL FROM THE NATIONAL VOICE-OVER-WI-FI MARKET	9
B. PLAINTIFF’S RICO FRAMEWORK IS CENTRAL TO RECTIFYING THIS PATTERN OF RACKETEERING.....	19
C. A UNIFIED CLAIM FOR A UNIFIED ENTERPRISE FRAUD	20
PRELIMINARY STATEMENT	21
A. HOW DEFENDANTS MONOPOLIZED WI-FI CALLING, DEVALUED VoIP-PAL’S DID CLAIMS, AND BLOCKED ALL PATHS TO MONETIZATION	21
B. INDUSTRY BACKGROUND AND THE RELEVANT MARKETS	32
C. SYSTEMIC FRAUD IN THE BUNDLING AND BILLING OF WI-FI CALLING SERVICES IN THE VoWi-Fi MARKET	38
D. HOW FORCED TYING, PRICE COLLUSION, AND “NO CHARGE” DEVALUATION CREATED A TRIPLE MONOPOLY IN THE VoWi-Fi MARKET IN VIOLATION OF FEDERAL LAW	40
THE PARTIES.....	44
A. THE PLAINTIFF	44
B. THE AT&T DEFENDANTS	45
C. THE T-MOBILE DEFENDANTS	46
D. THE VERIZON DEFENDANTS	47
JURISDICTION AND VENUE.....	48
FACTS OF THE CASE.....	49
A. WHY RICO CAPTURES THE FULL SCOPE OF DEFENDANTS FRAUD	49
B. RICO ENTERPRISE LIABILITY UNDER § 1962(C)	55
C. RICO ASSOCIATION-IN-FACT: ANTITRUST MONOPOLY POWER	67

D. RICO PREDICATE ACTS: FORCED TYING AND FALSE ADVERTISING LAYING THE FOUNDATION FOR VIOLATION OF THE 1996 TELECOMMUNICATIONS ACT § 251(C)(3).....	82
E. LEGAL FOUNDATION: THREE CASES THAT PROVE DEFENDANTS ENGAGED IN STRUCTURAL FRAUD, MARKET HARM, AND COMPETITIVE EXCLUSION.....	89
F. REAL-WORLD HARM TO SUBSCRIBERS: ECONOMIC INJURY TO MILLIONS OF CONSUMERS.....	91
G. VOIP-PAL’S EQUITABLE LIEN ON SUBSCRIBER REVENUES FROM UNAUTHORIZED DID-BASED ROUTING	93
H. PIERCING THE CORPORATE VEIL: DIRECTOR LIABILITY	106
I. FINAL LEGAL TAKEAWAY: WHY THE STRUCTURAL ASPECT MATTERS.....	112
J. HOW VOIP-PAL EXPOSES THIS STRUCTURAL FRAUD.....	113
ARTICLE III AND STATUTORY STANDING.....	116
A. INJURY-IN-FACT	117
B. CAUSATION	122
C. REDRESSABILITY	131
D. STATUTORY STANDING	136
E. STANDING UNDER RESTITUTION LAW.....	141
TECHNICAL CONTRIBUTION OF THE ASSERTED DID CLAIMS AND STRUCTURAL MARKET EXCLUSION OF VOIP-PAL	143
A. HOW THE DID-BASED CLAIMS ENABLED WI-FI CALL OFFLOADING	144
B. REAL-WORLD IMPACT: A \$209.47 BILLION INFRASTRUCTURE SAVINGS SCHEME.....	147
C. APPENDIX 1 – EVOLUTION OF VoWi-Fi MARKET AND VOIP-PAL’S INJURY DUE TO FORECLOSURE.....	147
D. APPENDIX 2 – TECHNICAL INFRASTRUCTURE REPORT	148
E. APPENDIX 3 – TECHNICAL AUDIT AND VERIFICATION OF DEPLOYMENT AND REDUCTION TO PRACTICE	148
PLAINTIFF’S DAMAGES MODEL (\$62.84 BILLION).....	150
A. PRELIMINARY DAMAGES MODEL AND DISCLAIMER	150
B. \$209.47 BILLION IN COORDINATED ENTERPRISE UNJUST ENRICHMENT FRAUD: THE STRUCTURAL EXCLUSION OF VOIP-PAL	151
C. STEP-BY-STEP: FINAL DAMAGES BREAKDOWN – TOLD SIMPLY	152

D. LEGAL JUSTIFICATION: WHAT THE COURTS SAY	154
E. DAMAGES CALCULATION FOR EQUITABLE LIEN	155
F. WHY THIS DAMAGES MODEL IS THE RIGHT ONE	157
G. THE DEFENDANTS' \$200 BILLION-PER-YEAR GROSS PROFIT RICO ENTERPRISE	160
WHY ANTITRUST, TELECOMMUNICATIONS, AND RICO STATUTES SUPPLANT PATENT LITIGATION.....	163
A. INTRODUCTION: THIS IS NOT A PATENT CASE—IT IS A NATIONAL FRAUD CASE BUILT ON DECEPTION, MONOPOLY, AND STRUCTURAL HARM.....	163
B. WHY THIS CASE CANNOT BE LITIGATED IN PATENT COURT.....	164
C. THE FOUR LAWS AT ISSUE—AND WHY EACH BELONGS IN THIS COURT	164
THE COUNTS	167
A. COUNT I – MONOPOLIZATION AND ATTEMPTED MONOPOLIZATION	167
B. COUNT II – PREDATORY PRICING	168
C. COUNT III — TYING	169
D. COUNT IV— RESTRAINT OF TRADE THROUGH ENTERPRISE FRAUD	171
E. COUNT V — TYING	172
F. COUNT VI — FORCED SALE	173
G. COUNT VII — PRICE FIXING	173
H. COUNT VIII- ENTERPRISE-LEVEL TACIT COLLUSION	174
I. COUNT IX — MAIL AND WIRE FRAUD BASED ON FORCED TYING AND FALSE ADVERTISING OF WI-FI CALLING	176
J. COUNT X — CONSPIRACY TO COMMIT MAIL AND WIRE FRAUD BASED ON FORCED TYING AND FALSE ADVERTISING OF WI-FI CALLING.....	178
K. COUNT XI — REINVESTMENT OF RACKETEERING PROCEEDS TO SUSTAIN MARKET EXCLUSION	179
L. COUNT XII — MAINTENANCE OF MARKET CONTROL THROUGH RACKETEERING CONDUCT.....	180
M. COUNT XIII — REFUSAL TO PROVIDE UNBUNDLED ACCESS TO WI-FI CALLING	181
N. COUNT XIV – IMPOSITION OF EQUITABLE LIEN AND CONSTRUCTIVE TRUST	182
O. NOTES ON THE COUNTS	183

DEMAND FOR JURY TRIAL.....	194
PRAYER FOR RELIEF	195
A. CONDUCT REMEDIES	195
B. MONETARY DAMAGES.....	195
C. SPECIFIC MONETARY DAMAGES	196
D. TREBLE DAMAGES	196
E. BEHAVIORAL REMEDIES	197
F. RESTITUTION AND OTHER EQUITABLE REMEDIES.....	197
G. CRIMINAL AND CIVIL PENALTIES.....	199
H. STATUTORY EXTENSION OF THE DAMAGES PERIOD.....	199
I. OTHER RELIEF	199

INTRODUCTION

A. Federal Violations Arising from a Unified Scheme Excluding VoIP-Pal from the National Voice-over-Wi-Fi Market

1. Plaintiff VoIP-Pal.com Inc. (“VoIP-Pal”) alleges that the Defendants are liable for violating the Racketeer Influenced and Corrupt Organizations (RICO) Act (18 U.S.C. §§ 1961-1968), the Sherman Antitrust Act and the Clayton Antitrust Act (15 U.S.C. §§ 1-38), and finally the Telecommunications Act of 1996 (47 U.S.C. §§ 151 et seq). Plaintiff alleges that the Defendants’ antitrust violations are grounded in fraudulent activities and misleading business practices that form a pattern of racketeering activity that spans the last decade. At the center of this pattern of racketeering activity are clearly defined acts of the forced tying of paid cellular calling and texting services and Voice over Wi-Fi (VoWi-Fi) Calling (or more simply Wi-Fi Calling) access and the false and misleading marketing of VoWi-Fi calling as “no charge” due to this tying—all the while using a DID-based call routing and classification system created by the Plaintiff VoIP-Pal.

2. This Complaint does more than assert statutory violations. It also invokes a separate and independent doctrine of equity—a doctrine that recognizes when companies wrongfully retain money that should be returned. Under Restatement (Third) of Restitution and Unjust Enrichment § 56, when a defendant obtains money through coercive, deceptive, or exclusionary means, and when those payments are funneled into a system built on unauthorized infrastructure, the court has the power to impose an equitable lien or constructive trust over those proceeds. This principle applies squarely here: the Class may not own the infrastructure, but it paid for its operation and expansion under false pretenses.
3. This Complaint brings to the forefront the Defendants’ common purpose as one act—the “Access Lock” (i.e., the coordinated illegal bundling of paid cellular calling and texting with fraudulently marketed “no charge” Wi-Fi Calling) powered by the “Routing Brain” (i.e., the Plaintiff VoIP-Pal’s DID-based call routing and classification system)—that lays the legal and factual spine that supports and binds all of Plaintiff’s statutory and equitable claims. The Defendants acted as one unified enterprise engaged in a common coordinated scheme that simultaneously breaches the RICO Act and lays the foundations for the Plaintiff’s additional allegations of violations of the Sherman Act, the Clayton Act, and the 1996 Telecommunications Act.
4. Upon reviewing major U.S. antitrust cases, including those against Google, Plaintiff finds that while multi-count complaints are not unprecedented, Plaintiff’s alleged distinct legal violations against the Defendants and their named executives and directors across multiple legal regimes in the present class action are notable. Even the two most significant federal antitrust cases of the decade—both brought against Google—did not reach this breadth of legal exposure.
5. In *United States v. Google LLC*, Case No. 1:20-cv-03010 (D.D.C.), Judge Amit P. Mehta ruled on August 5, 2024, that Google violated Section 2 of the Sherman Act by maintaining monopoly

power in general search and search advertising markets through a series of exclusionary contracts and distribution restraints. The Department of Justice alleged three distinct counts under Sherman Act § 2:

- **Monopolization:** Google unlawfully preserved its dominance by blocking rival search engines from gaining distribution through exclusive contracts.
- **Attempted Monopolization:** Google structured its agreements and search defaults with the specific intent to prevent market entry.
- **Conspiracy to Monopolize:** The DOJ alleged, and the Court recognized, a broader enterprise strategy to suppress emerging competition across multiple distribution channels.

6. Judge Mehta found that monopoly power maintained through suppression of distribution alternatives and structural exclusion violates Sherman Act § 2, even in the absence of price increases or consumer-facing coercion.

7. **Application to VoIP-Pal:** VoIP-Pal’s allegations mirror the exclusionary strategy found unlawful in Judge Mehta’s ruling:

- **Monopolization (Sherman Act § 2):** AT&T, Verizon, and T-Mobile jointly monopolized the Wi-Fi Calling market by embedding VoIP-Pal’s DID-based routing infrastructure into their networks and denying any opportunity for VoIP-Pal to license, operate, or market a competing standalone VoWiFi service. Their conduct suppressed access to alternative distribution paths and maintained monopoly control not through innovation, but through exclusion—exactly as Judge Mehta condemned in the Google case.
- **Attempted Monopolization (Sherman Act § 2):** The Defendants promoted Wi-Fi Calling as “no charge” while tying it to bundled cellular plans, eliminating all market awareness and commercial demand for a separate Wi-Fi Calling service. This strategy reflects

specific intent to monopolize the VoWiFi segment by preventing VoIP-Pal from achieving public distribution or recognition.

- **Conspiracy to Monopolize (Sherman Act § 2):** The Defendants acted in parallel alignment, embedding the same DID-based routing infrastructure, maintaining uniform billing and contractual language, and executing a shared market strategy that foreclosed VoIP-Pal's technology from lawful market entry. As in Google, the structural coordination and exclusion of rival technology providers constitutes a conspiracy to maintain dominance.

8. Judge Mehta's decision confirms that structural suppression of market entry—especially when involving control over delivery systems and exclusionary business design—constitutes a clear violation of Section 2 of the Sherman Act. This precedent directly supports VoIP-Pal's claim that the Defendants' monopoly control over Wi-Fi Calling was not earned through competition, but sustained through the unlawful use of VoIP-Pal's own innovation, exclusionary distribution tactics, and refusal to deal.

9. In *United States v. Google LLC*, Case No. 1:23-cv-00108 (E.D. Va.), Judge Leonie M. Brinkema ruled on April 17, 2025, that Google violated the Sherman Act by illegally tying two distinct ad-tech products—its ad server (DFP) and its ad exchange (AdX)—in a manner that harmed competition and entrenched monopoly power. The Department of Justice alleged three counts under Sections 1 and 2 of the Sherman Act:

- **Unlawful Tying (Sherman Act § 1):** This occurs when a dominant firm forces customers to buy one product (the “tied” product) as a condition for purchasing another. The DOJ argued that Google used its dominance in ad serving to compel use of its own ad exchange, foreclosing independent rivals.
- **Monopolization (Sherman Act § 2):** Maintaining monopoly power through exclusionary

practices that suppress market entry and eliminate viable competition.

- **Attempted Monopolization (Sherman Act § 2):** Engaging in conduct with the intent to dominate a market, even if monopoly power is not fully established.

10. Judge Brinkema upheld all three counts, confirming that forced integration, deceptive bundling, and exclusionary enterprise design—absent any procompetitive justification—constitute violations of antitrust law.

11. **Application to VoIP-Pal:** VoIP-Pal’s allegations against AT&T, Verizon, and T-Mobile reflect the exact antitrust structure validated by the Court in the Google ad-tech decision:

- **Unlawful Tying (Sherman Act § 1):** The Defendants tied Wi-Fi Calling to paid cellular voice and texting plans, making it functionally inaccessible unless bundled with the primary service. Although Wi-Fi Calling could have been offered independently using VoIP-Pal’s DID-based routing technology, the Defendants refused all unbundled access, foreclosing market alternatives and eliminating standalone offerings.
- **Monopolization (Sherman Act § 2):** The Defendants jointly embedded VoIP-Pal’s private routing system across their national networks and denied any licensing opportunities or third-party access. This conduct allowed them to monopolize the Wi-Fi Calling delivery market, blocking VoIP-Pal from the very infrastructure it invented while retaining exclusive commercial control.
- **Attempted Monopolization (Sherman Act § 2):** By marketing Wi-Fi Calling as “no charge” and disguising its dependence on VoIP-Pal’s technology, the Defendants eliminated all consumer awareness of competitive options. Their coordinated deception destroyed potential market demand for standalone VoWiFi services and ensured total control over how VoIP-Pal’s innovation was consumed—without attribution, compensation, or

licensing.

12. This ruling confirms that the conduct alleged by VoIP-Pal satisfies the Sherman Act’s most critical thresholds:
- Technical separability,
 - Structural exclusion,
 - Deceptive bundling, and
 - Enterprise coordination.
13. The legal framework affirmed by Judge Brinkema in the DOJ’s case against Google reinforces VoIP-Pal’s right to relief under both Sections 1 and 2 of the Sherman Act—and establishes that enterprise-level tying and exclusionary delivery systems are actionable even in technologically complex industries.

1. 14 Counts Across Five Legal Frameworks

14. Therefore, the present case’s scope—encompassing approximately 14 counts across five legal frameworks—is among the most comprehensive in U.S. antitrust litigation history. The Plaintiff asserts fourteen counts of federal violations, arising from eleven distinct statutory provisions and federal common law:

1. **Monopolization and Attempted Monopolization** [Violation of Section 2 of the Sherman Act (15 U.S.C. § 2)]
2. **Tying** [Violation of Section 1 of the Sherman Act (15 U.S.C. § 1)]
3. **Tying** [Violation of Section 3 of the Clayton Act (15 U.S.C. § 14)]
4. **Price Fixing** [Violation of Section 2 of the Clayton Act (15 U.S.C. § 13)]

5. **Enterprise-Level Tacit Collusion** [Violation of Section 7 of the Clayton Act (15 U.S.C. § 18)]
6. **Mail and Wire Fraud** Based on Forced Tying and False Advertising of Wi-Fi Calling [Violation of 18 U.S.C. § 1962(c) of the RICO Act]
7. **Conspiracy** to Commit Mail and Wire Fraud Based on Forced Tying and False Advertising of Wi-Fi Calling [Violation of 18 U.S.C. § 1962(d) of the RICO Act]
8. **Reinvestment of Racketeering Proceeds** to Sustain Market Exclusion [Violation of 18 U.S.C. § 1962(a) of the RICO Act]
9. **Maintenance of Market Control** Through Racketeering Conduct [Violation of 18 U.S.C. § 1962(b) of the RICO Act]
10. **Refusal to Provide Unbundled Access** to Wi-Fi Calling Infrastructure [Violation of Section 251(c)(3) of the Telecommunications Act of 1996]
11. **Unjust Enrichment and Equitable Lien** [Restatement (Third) of Restitution and Unjust Enrichment, (§ 56)]
15. The claim for unjust enrichment and equitable lien relief asserted in Count XIV is statutory in nature because the enrichment itself arises directly from the Defendants' violations of multiple federal statutes—including the Sherman Act, Clayton Act, RICO, and the Telecommunications Act. The \$64.84 billion in infrastructure cost savings was not passively obtained; it was derived from the Defendants' unauthorized use of VoIP-Pal's DID-based routing system, a use made possible only through unlawful tying, monopolization, refusal to unbundle access, and systemic fraud. These statutory breaches enabled the enrichment, making the resulting lien not merely equitable but a remedy for the financial proceeds of ongoing, active violations of federal law.
16. The Defendants' deceptive bundling and billing practices—falsely marketing Wi-Fi Calling as

“no charge” while utilizing and monetizing VoIP-Pal’s DID-based call classification and routing system—constitute not merely an equitable wrong, but a statutory violation under multiple federal laws. These violations result in systemic unjust enrichment traceable to unlawful conduct under the following statutes:

1. **Section 1 of the Sherman Act (15 U.S.C. § 1):** Prohibits contracts, combinations, or conspiracies in restraint of trade. The forced tying of Wi-Fi Calling, which utilized VoIP-Pal’s DID-based routing system without authorization, to paid cellular services as well as the false marketing of Wi-Fi Calling as “no charge” restrains competition in the standalone VoWi-Fi market.
2. **Section 2 of the Sherman Act (15 U.S.C. § 2):** Prohibits monopolization, attempted monopolization, and conspiracies to monopolize. The forced sale of cellular calling in order to access Wi-Fi Calling, which as discussed utilized VoIP-Pal’s DID-based routing system without authorization and is misrepresented as “free”, dominates the Wi-Fi Calling segment and excludes competitors like VoIP-Pal.
3. **Section 3 of the Clayton Act (15 U.S.C. § 14):** Prohibits exclusive dealing and tying arrangements that may substantially lessen competition. The Defendants tied access to “no charge” Wi-Fi Calling with the purchase of essential services and the utilization of an unlawful deployment of VoIP-Pal’s DID-based routing system.
4. **Section 2 of the Clayton Act (15 U.S.C. § 13):** Bars discriminatory pricing and service terms. By embedding Wi-Fi Calling as “free” only within bundled plans, the Defendants eliminated pricing transparency and engaged in service-based discrimination against both consumers and competitors.

5. **Section 1962(c) of the RICO Act (18 U.S.C. § 1962(c)):** Prohibits operation of an enterprise through a pattern of racketeering activity, including wire fraud and mail fraud under 18 U.S.C. §§ 1341 and 1343. The Defendants engaged in a pattern of racketeering that tied Wi-Fi Calling access to paid cellular plans that misrepresented the actual cost of “no charge” Wi-Fi while transmitting the fraudulent advertisements and billing statements through wire and mail channels to everyone in the VoWi-Fi market, including competitors and over 373 million subscribers, all the while systematically monetizing VoIP-Pal’s DID-based routing system in a market foreclosed to VoIP-Pal.

17. Because the Defendants’ statutory violations outlined above resulted in the accumulation of traceable revenue and infrastructure savings, VoIP-Pal seeks relief through **Restatement (Third) of Restitution and Unjust Enrichment § 56**, which authorizes the imposition of an equitable lien or constructive trust when a party obtains property through fraud, breach of duty, or other misconduct. In this case:

- The fraud consists of misrepresenting Wi-Fi Calling as “no charge” while billing subscribers for tied cellular plans, all the while utilizing VoIP-Pal’s DID-based routing system in their Wi-Fi Calling deployments without license or authorization.
- The breach of duty arises from the anticompetitive foreclosure of the VoWi-Fi market against VoIP-Pal to the unauthorized use of VoIP-Pal’s proprietary technology without compensation or attribution.
- The property is traceable—over \$209.47 billion in subscriber revenue and offloading cost savings.

18. VoIP-Pal formally asserts a standalone cause of action for equitable lien relief, integrated into the broader statutory scheme, and thus demands:

- Disgorgement of all traceable gains unjustly retained by the Defendants;
- Judicial recognition of VoIP-Pal's economic interest in the illegally obtained proceeds;
and
- Preliminary relief to preserve those proceeds within the Court's jurisdiction during proceedings.

19. The Statutory Breach (under Sherman, Clayton, and RICO statutes) gives rise to VoIP-Pal's right to treble damages, injunctions, and declaratory relief for the systemic exclusion and fraud. The Equitable Relief (under § 56) ensures that the proceeds of that fraud and exclusion—including subscriber revenue and infrastructure savings—are secured and restituted, even if statutory claims are delayed, bifurcated, or disputed. In sum, VoIP-Pal's equitable lien under § 56 are not mere alternatives to compensation for statutory enforcement, but an additional vehicle of financial enforcement to ensure that the Defendants do not continue to benefit from their illegal enrichment.

2. Scope and Context of This Historical Action

20. Therefore, the scope of the present action—encompassing **14 counts across five integrated legal frameworks**—positions the VoIP-Pal Antitrust Complaint as one of the most legally expansive and structurally coordinated antitrust, RICO, and telecommunications lawsuits ever filed by a single private plaintiff in U.S. federal court history. The Plaintiff, as an excluded innovator and rightful technology originator, asserts the above **fourteen causes of action** arising from **eleven distinct statutory provisions** and **federal common law**. The Plaintiff will demonstrate that these allegations are not based on patent infringement, contract dispute, or general unfair competition—but on **systematic statutory breaches** by AT&T, Verizon, and T-Mobile. These breaches flowed

from the unlicensed deployment of VoIP-Pal's DID-based routing system utilized in the Defendants' "no charge" Wi-Fi Calling deployments, the forced tying of "free" Wi-Fi Calling to full-price cellular plans, and a pattern of racketeering activity within enterprise-wide pricing fraud, billing deception, and refusal to unbundle essential network elements.

21. The injury to VoIP-Pal was not theoretical. It was structural, quantifiable, and directly traceable to the Defendants' conduct: exclusion from the VoWi-Fi market, loss of licensing opportunities, suppression of pricing signals, and reputational harm that continues to this day. VoIP-Pal estimates its share of the financial value extracted through this illegal scheme at **\$64.84 billion**—representing its rightful stake in the \$209.47 billion in enterprise-wide cost savings and monopoly revenue generated by the Defendants' coordinated deployment of its technology.
22. **In comparative legal scope**, no prior antitrust case brought by a private innovator has matched the statutory depth or cross-framework integration of this Complaint. While major class actions (e.g., Visa/MasterCard, LCD Panels, Automotive Parts) have made history by settlement size or volume, none have invoked this combination of **Sherman, Clayton, RICO, Telecommunications Act, and federal equitable restitution law** in a unified claim for both structural injunctive relief and multi-billion-dollar recovery. This Complaint is not only a legal redress for a single plaintiff. It is a challenge to the systemic erasure of competition through enterprise coordination, fraudulent market manipulation, and the exploitation of one of the most essential technological backbones of modern communications which anticompetitively utilized unauthorized VoIP-Pal technology.

B. Plaintiff's RICO Framework is Central to Rectifying this Pattern of Racketeering

23. The Defendants entire scheme is a pattern of racketeering activity under RICO that lays the foundational legal driver of this complaint. The Defendants should be collectively recognized

under RICO § 1961(4) as a coordinated single enterprise acting with a common purpose. The Defendants’ pattern of bundling cellular calling and texting with Wi-Fi Calling (and the fraudulent marketing as “no charge”) form acts of wire fraud, mail fraud, concealment, and exclusion as defined by § 1961(1). The Defendants’ behavior is so egregious as to firmly establish under RICO both executive-level and corporate liability under § 1964(c), providing for treble damages and injunctive relief. Thus, where the Sherman Act identifies market foreclosure, the Clayton Act identifies forced tying and bundling, and § 251 of the Telecom Act mandates open access to infrastructure, a single enforceable enterprise fraud claim under RICO lays the foundation for these additional antitrust claims—all grounded in systemic concealment, profit-driven deception, and coordinated wrongdoing.

24. This Complaint narrows its focus from its prior complaints to a clearly defined enterprise violation—one coordinated act that simultaneously breached four foundational statutes: the RICO statute (18 U.S.C. § 1962(c)), the Sherman Act (15 U.S.C. §§ 1–2), the Clayton Act (15 U.S.C. §§ 14, 16), and the Telecommunications Act (47 U.S.C. § 251(c)(3)). At the factual core of this Complaint is a nationwide tying scheme, executed under one unified enterprise across three brands, which deceptively billed consumers as though cellular towers had been utilized, systematically blocked competitors from market entry, and unlawfully utilized VoIP-Pal’s DID-based technology without permission.

C. A Unified Claim for a Unified Enterprise Fraud

25. This is not an ordinary billing dispute or isolated instance of competitive tension—it is a structurally designed and coordinated national fraud. At its core are two engineered mechanisms, the above-referenced Access Lock and Routing Brain, which together resulted in two distinct but inseparable harms: the systematic exclusion of an innovator from the marketplace and the

overbilling of 373 million U.S. subscribers. RICO captures the structural coordination at play; antitrust law addresses the deliberate market exclusion; telecom statutes highlight the unlawful refusal to unbundle. Yet only when considered collectively do these statutes reveal the full scope and depth of the fraud.

26. This Complaint brings forth a single, unified act of enterprise fraud that simultaneously tied Wi-Fi Calling to unnecessary cellular services, offloaded billions of calls onto consumer-funded Wi-Fi networks that avoided using carrier-owned spectrum and infrastructure, blocked all competing providers from entering the market, and systematically defrauded the public under the deceptive promise of “no charge.” This is not a case of minor misconduct—it is enterprise-level deception, executed collectively by three Defendants operating as one coordinated enterprise, impacting hundreds of millions of Americans.

PRELIMINARY STATEMENT

A. How Defendants Monopolized Wi-Fi Calling, Devalued VoIP-Pal’s DID Claims, and Blocked All Paths to Monetization

27. VoIP-Pal is the original developer of a classification and routing system that is now used in the Wi-Fi Calling systems in the networks of AT&T, Verizon, and T-Mobile. Part of this system is the practicing of a set of patented Direct Inward Dialing (DID)-based claims, which are a necessary component of the offloading of voice traffic from cellular infrastructure to Wi-Fi networks. These DID-based routing claims are invoked in every Wi-Fi initiated call, serving as an important component of efficient call delivery of calls that originate over non-cellular networks.
28. Given their universal applicability and direct connection to quantifiable usage metrics, VoIP-Pal

always intended to monetize these DID-based claims as its first commercial strategy. The company could have licensed this routing technology to the Defendants and other carriers, generating revenue based on measurable call activity independent of launching a full Wi-Fi Calling service of its own. Instead, that path to monetization was foreclosed—not by market failure, but by the Defendants’ coordinated conduct.

1. Core Facts Supporting the Antitrust and Class Action Complaints

- 29.** The two complaints—VoIP-Pal’s standalone antitrust action and the parallel class action—are centered on two coordinated and unlawful breaches by the Defendants:
- The forced tying of cellular calling and texting to Wi-Fi Calling, making it impossible to access Wi-Fi Calling as a standalone service; and
 - The deceptive marketing and delivery of Wi-Fi Calling at “no charge,” despite its reliance on private, subscriber-funded infrastructure and unlicensed use of VoIP-Pal’s technology.
- 30.** The two complaints simultaneously allege that these practices have effectively monopolized the Wi-Fi Calling market, with AT&T, Verizon, and T-Mobile now controlling over 97% of the U.S. smartphone subscriber base.

2. VoIP-Pal’s Preferred Path Was Monetization, Not Market Launch

- 31.** As a result of these two coordinated and unlawful breaches by the Defendants, VoIP-Pal has been systematically excluded from licensing its DID-based claims—central to cellular infrastructure offloading—have been devalued to zero through this “zero charge” scheme. VoIP-Pal had always envisioned licensing its DID-based routing claims as its first and independent monetization strategy, even before launching a full commercial Wi-Fi Calling service that would have required a very large capital investment. This strategy would have allowed VoIP-Pal to license its claims

to the Defendants and other operators, generating revenue based on usage volume followed by the future option to enter the consumer market if appropriate.

32. However, rather than pursue a lawful licensing arrangement, the Defendants instead monopolized the entire Wi-Fi Calling market, capturing over 97% of the U.S. smartphone subscriber base, and collectively decided to offer Wi-Fi Calling at “no charge.” This pricing decision was not the product of market forces—but a deliberate strategy to lock out competitors like VoIP-Pal by eliminating any path to sustainable monetization.
33. In doing so, the Defendants utilized VoIP-Pal’s DID-based routing system as a key component of their Wi-Fi Calling infrastructure, without DID-based routing systems the Defendants could not deploy their Wi-Fi Calling Infrastructure. They are using DID-based routing technology to enable call classification and dynamic identification of on-net callee locations—functions that are essential to cellular offloading. The use of this technology has allowed the Defendants to offload billions of dollars in voice traffic from cellular spectrum onto subscriber-funded Wi-Fi networks.
34. And yet, despite this massive cost savings and VoIP-Pal’s clear technological contribution, the DID-based claims were neither licensed nor compensated. Instead, they were absorbed into a “zero charge” architecture, effectively devaluing VoIP-Pal’s technology to nothing and denying it any return on more than a decade of development. In effect, the Defendants converted VoIP-Pal’s monetizable routing technology into an internalized asset, powering a service marketed as free while shutting VoIP-Pal out of the market.
35. The Defendants profited from billions of dollars in spectrum and infrastructure cost savings by offloading voice traffic from cellular networks onto Wi-Fi networks—a cost-saving made possible with the utilization of VoIP-Pal’s DID-based routing claims. The Defendants further stripped VoIP-Pal’s claims of commercial value by deploying them as a “zero charge”

commodity, rendering licensing economically unviable. Moreover, the Defendants blocked VoIP-Pal from entering or licensing in a functional Wi-Fi Calling market by monopolizing the offering across 97% of the U.S. mobile subscriber base and excluding any standalone or third-party access. Finally, the Defendants transformed VoIP-Pal's quantifiable monetization model into unlicensed enterprise usage, diverting what should have been paid, trackable royalties into unlawful internal profit.

36. Crucially, VoIP-Pal's claims of harm for the unauthorized use of the DID technology are quantifiable—each use of Wi-Fi Calling generates measurable routing events directly tied to VoIP-Pal's contributions. The Defendants' scheme effectively hijacked this quantifiable monetization model, converting it into unlicensed enterprise use while denying VoIP-Pal access to the market.

3. Why This Case Transcends Patent Law Jurisdiction

37. The inventions of the '815 and '005 Patents originated from breakthrough work and development in the field of internet protocol communications. VoIP-Pal has provided significant improvements to communications technology by the invention of novel methods, processes and apparatuses that facilitate communications across and between internet protocol-based communication systems and networks, such as internally controlled systems and external networks (e.g., across private networks and between private networks and public networks), including the classification and routing of such communications. Claims of the '815 and '005 Patents, cover communications that originate from a private network that are destined for the same private network (private-to-private communications) as well as destined for an external network (private-to-public communications).
38. Although VoIP-Pal's DID-based routing technology is described in part in U.S. Patent Nos.

8,542,815 and 9,179,005, the conduct alleged in this case does not fall within the traditional boundaries of patent litigation. This is not a technical dispute over claim construction or limited infringement damages. Instead, this is a sweeping and systemic breach of four distinct federal statutes, each carrying its own jurisdictional and public interest implications, in which VoIP-Pal's DID technology was used anticompetitively in the market. What brings this case squarely before the Court—and beyond the confines of the patent docket—is the enterprise-wide deployment of VoIP-Pal's DID-based routing technology without license or payment, accompanied by the deceptive marketing of Wi-Fi Calling as a “no charge” service, and the forced tying of Wi-Fi Calling to paid cellular voice and texting plans.

39. This conduct has harmed not just a single innovator, but the public at large:

- 373 million U.S. mobile subscribers, who have been misled and overcharged through tied service bundles and false “no charge” representations;
- Over 5,000 VoIP-Pal shareholders, most of whom are customers of the Defendants, and who have suffered financial losses from VoIP-Pal's systemic market exclusion;
- And the broader competitive marketplace, which has been deprived of choice, innovation, and fair access due to the Defendants' anticompetitive consolidation of 97% of the U.S. mobile voice market.

4. Historical First in Federal Case Law

40. After reviewing extensive federal case law and conducting an in-depth docket analysis, VoIP-Pal.com, Inc. asserts that this is the first known case in U.S. legal history in which a single, unified course of conduct by the Defendants has simultaneously violated five distinct federal legal regimes—four statutory and one equitable. The conduct is not incidental; it is systemic and

coordinated, and it unlawfully excluded VoIP-Pal from the U.S. mobile voice market while unjustly enriching the Defendants. The five breached frameworks are:

1. The RICO Statute (18 U.S.C. § 1962) – for establishing an ongoing enterprise engaged in wire fraud, mail fraud, and exclusionary practices to suppress innovation and competition;
2. The Telecommunications Act of 1996, § 251 – for refusing to provide unbundled access to essential infrastructure required for Wi-Fi Calling;
3. The Clayton Act (15 U.S.C. § 14) – for illegal tying arrangements between cellular services and Wi-Fi Calling to foreclose market entry;
4. The Sherman Act (15 U.S.C. §§ 1–2) – for monopolization, restraint of trade, and market foreclosure of alternative Wi-Fi Calling providers; and
5. The Equitable Lien Doctrine (Restatement (Third) of Restitution § 56) – by unjustly enriching themselves through the unlicensed and traceable deployment of VoIP-Pal’s DID-based routing claims.

41. This case is historic in scope and substance, not only because of the number of counts alleged, but because of the integrated, consumer-facing fraud that underpins each violation. This fifth count is not speculative. It is grounded in U.S. Supreme Court precedent (*Sereboff v. Mid Atlantic*), equity doctrine codified in Restatement § 56, and the federal judiciary’s long-standing authority to impose liens and constructive trusts to reverse unjust enrichment. Between 2018 and 2024, the Defendants reaped at least \$209.47 billion in infrastructure offloading savings and subscriber billing revenue by utilizing VoIP-Pal’s routing system into their networks without compensation. These proceeds are clearly traceable to VoIP-Pal’s contribution, triggering the Court’s power to impose a lien under federal equitable principles.
42. On April 17, 2025, in *United States v. Google LLC*, the U.S. District Court for the Eastern District

of Virginia ruled that Google violated Sections 1 and 2 of the Sherman Act by unlawfully monopolizing key segments of the digital advertising market—specifically, publisher ad servers and ad exchanges. The court found that Google willfully acquired and maintained monopoly power through exclusionary conduct, including technological integration and contractual tying, that foreclosed competition and harmed publishers, consumers, and the competitive process. This decision underscores the judiciary’s growing willingness to dismantle entrenched digital monopolies that leverage control over critical infrastructure to suppress rivals. The conduct at issue in this case mirrors Google’s in both structure and effect: Defendants AT&T, Verizon, and T-Mobile similarly used technological integration—via their unauthorized deployment of VoIP-Pal’s DID-based routing system—and contractual bundling of Wi-Fi Calling with paid cellular services to eliminate standalone VoWi-Fi alternatives, block market entry, and mislead consumers. While the Google ruling was confined to the Sherman Act, the same exclusionary logic supports VoIP-Pal’s broader claims under the Sherman Act, the Clayton Act, the Telecommunications Act, and the RICO statute, which together capture the enterprise-wide fraud and structural market foreclosure perpetrated by Defendants.

43. To underscore why this case sits outside the patent courts and within the jurisdiction of the federal district court, consider the following high-profile antitrust cases:

- a. **U.S. v. Microsoft Corp. (2001)**

44. Defendants’ conduct mirrors and surpasses prior monopolistic practices such as those condemned in *United States v. Microsoft Corp.*, where Microsoft unlawfully tied its dominant Windows operating system to its Internet Explorer browser, suppressing competition in the browser market and excluding rival technologies. Microsoft’s conduct violated Section 2 of the Sherman Act, prohibiting monopolization and unlawful restraints of trade.

45. The misconduct alleged by Plaintiff VoIP-Pal goes even further in scope and statutory breadth. Unlike the Microsoft case, which involved a single antitrust statute, VoIP-Pal's claims encompass violations of four federal statutes: monopolization and restraint of trade under the Sherman Act; unlawful tying and foreclosure under the Clayton Act; systemic enterprise-level fraud under RICO; and denial of unbundled access to essential telecommunications infrastructure under Section 251(c)(3) of the Telecommunications Act.
46. The market impact alleged by VoIP-Pal also exceeds the scope of Microsoft's misconduct. Defendants' illegal tying of Wi-Fi Calling to mandatory paid cellular plans affected approximately 373 million subscribers across the United States. Additionally, Defendants unlawfully utilized VoIP-Pal's DID-based call routing technology without license, further suppressing competition and innovation in the voice communications market.
47. The comparative acts highlight the severity of Defendants' conduct. Microsoft unlawfully bundled Internet Explorer with the Windows operating system to suppress emerging browser competitors. Here, Defendants forced the tying of Wi-Fi Calling to bundled cellular services while simultaneously leveraging unlicensed proprietary technology—VoIP-Pal's DID-based routing system—to exclude competitors, deceive consumers, and entrench their market dominance.

b. United States v. AT&T (1982)

48. Defendants' misconduct parallels and expands upon the monopolistic practices previously addressed in the breakup of AT&T, where AT&T was found to have unlawfully monopolized the telecommunications market by exercising control over both local and long-distance infrastructure, leading to its court-ordered divestiture. AT&T's monopolization constituted a violation of Section 2 of the Sherman Act, as well as multiple telecommunications regulatory

violations under the pre-1996 statutory framework governing the telecommunications industry.

49. The violations alleged by Plaintiff VoIP-Pal extend even further in both complexity and severity. While the AT&T case focused on structural monopolization through infrastructure ownership, VoIP-Pal's claims involve the fraudulent suppression and misappropriation of third-party technology, direct violations of Section 251 of the Telecommunications Act of 1996, and intentional market foreclosure through the unlicensed deployment of VoIP-Pal's DID-based routing technology.
50. The comparative acts demonstrate the distinct and more targeted nature of Defendants' conduct. AT&T monopolized communications services by controlling infrastructure and equipment manufacturing. By contrast, Defendants not only excluded VoIP-Pal from the market but also utilized VoIP-Pal's own proprietary technology—making use of essential routing innovations while simultaneously locking consumers into bundled services and blocking independent competition.

c. FTC v. Qualcomm Inc. (2019)

51. Defendants' conduct also mirrors and, in critical respects, exceeds the practices challenged in *FTC v. Qualcomm Inc.*, where the Federal Trade Commission alleged that Qualcomm had leveraged its dominant patent portfolio to impose exclusive licensing terms that hindered fair competition in the mobile chipset market. Although the district court initially found that Qualcomm's conduct violated the Sherman and Clayton Acts, the Ninth Circuit reversed, holding that Qualcomm's licensing practices—while aggressive—did not rise to the level of antitrust violations under prevailing legal standards.
52. The misconduct alleged by Plaintiff VoIP-Pal surpasses Qualcomm's challenged practices in both scale and severity. Whereas Qualcomm's conduct centered on the formal imposition of licensing

terms, the Defendants in this action are alleged to have deployed VoIP-Pal's DID-based routing technology without any form of license or compensation. This covert appropriation deprived VoIP-Pal not only of licensing revenue but also of any opportunity to enter, participate in, or compete within the market that the Defendants dominated.

53. In addition, VoIP-Pal's allegations extend beyond licensing abuses and implicate violations of the Racketeer Influenced and Corrupt Organizations Act (RICO). The Complaint alleges that Defendants jointly executed a pattern of fraud, systemic misrepresentation to subscribers, and enterprise-level misuse of VoIP-Pal's routing technologies across at least three nationwide wireless carriers. This conduct reflects more than isolated contract breaches; it constitutes a coordinated scheme designed to entrench market dominance through deception and exclusion.
54. The comparison underscores the greater gravity of the Defendants' alleged misconduct. Qualcomm was accused of restrictive licensing and selective refusal to license its patented technologies. By contrast, the Defendants are alleged to have utilized VoIP-Pal's proprietary infrastructure entirely without authorization, while executing a concerted plan to suppress competition and mislead consumers. The scale and coordination at issue here render the Defendants' conduct more egregious and more damaging to market fairness than that alleged in Qualcomm.
55. Based on this Court's docket and VoIP-Pal's internal legal research, no other federal case has alleged and supported five concurrent federal violations of this nature. The following cases offer the closest analogs in scope, yet fall short of matching the statutory and equitable complexity now before this Court:

d. MCI Communications Corp. v. AT&T Co., 708 F.2d 1081 (7th Cir. 1983)

56. **Statutes Involved:** Sherman Act §§ 1 and 2, Clayton Act § 4

57. **Summary:** MCI alleged that AT&T engaged in monopolistic practices, including denial of interconnection, predatory pricing, and unlawful tying, to suppress competition in the long-distance telecommunications market. The court upheld significant damages, recognizing the multifaceted antitrust violations.
58. **Relevance to VoIP-Pal:** This case mirrors VoIP-Pal's allegations of monopolistic behavior and denial of essential network access, reinforcing the applicability of antitrust statutes in complex telecommunications disputes.

e. Verizon Communications Inc. v. Law Offices of Curtis V. Trinko, LLP, 540 U.S. 398 (2004)

59. **Statutes Involved:** Telecommunications Act § 251, Sherman Act § 2
60. **Summary:** The plaintiff alleged that Verizon failed to share its network with competitors as mandated by the Telecommunications Act, constituting an antitrust violation. The Supreme Court held that while the Telecommunications Act imposed certain duties, it did not create new antitrust obligations beyond existing standards.
61. **Relevance to VoIP-Pal:** This case is pertinent to VoIP-Pal's claims regarding the denial of unbundled access to essential network elements, highlighting the interplay between telecommunications regulations and antitrust laws.

f. In re Revlimid & Thalomid Purchaser Antitrust Litigation, Civil Action No. 19-7532 (D.N.J.)

62. **Statutes Involved:** Sherman Act §§ 1 and 2, RICO, Unjust Enrichment
63. **Summary:** Plaintiffs accused Celgene of engaging in anticompetitive practices to delay generic competition for its drugs, involving sham litigation and fraudulent schemes. The litigation

encompassed antitrust violations, RICO claims, and equitable remedies.

64. **Relevance to VoIP-Pal:** This case underscores the viability of combining antitrust and RICO claims with equitable remedies in complex litigation, akin to VoIP-Pal’s multifaceted legal strategy.
65. These cases collectively demonstrate the federal judiciary’s engagement with complex, multi-statute litigation involving antitrust, telecommunications, RICO, and equitable claims. They provide a robust legal framework that supports the multifaceted approach VoIP-Pal is undertaking in its current litigation. Moreover, these comparisons illustrate that the VoIP-Pal case not only aligns with precedent-setting antitrust cases but also presents a multifaceted legal challenge involving broader statutory violations and more extensive market implications.

B. Industry Background And The Relevant Markets

66. The Defendants—as cellular carriers—implement a differentiated, carrier-grade service known as Voice over Wi-Fi (or VoWi-Fi) to make and receive voice calls and send and receive text messages using a Wi-Fi network (and the Internet) instead of relying on a cellular voice or data connection. VoWi-Fi is commonly marketed to consumers as an enhanced feature under the name “Wi-Fi Calling.”

1. What Is VoWi-Fi?

67. VoWi-Fi extends the capabilities of prior 3G, 4G, and 5G cellular technologies (such as Voice over Long-Term Evolution or VoLTE) by utilizing Wi-Fi networks for voice calls and text messages while maintaining integration with the carrier’s core network infrastructure. This integration ensures high-quality service, seamless handover, and access to essential features like emergency services. References to Wi-Fi Calling should be understood to refer to VoWi-Fi and

should not be confused with traditional Voice over Internet Protocol (VoIP) services that use subscribers' computers, laptops, tablets, or Polycom/conference room devices or other Internet data-centric calling and messaging services offered by companies that employ over-the-top (OTT) applications like those from WhatsApp, Google, Microsoft installed on computers, laptops, tables, and even smartphones that can communicate Wi-Fi, cellular data networks, or any available wired or wireless connection to the Internet.

68. VoWi-Fi is a technology built directly into a smartphone and integrated into the native phone dialer and messaging apps, offering an integrated experience. With VoWi-Fi, users can seamlessly make calls, send texts, and access their paid communication services even when they are outside of cellular network coverage, provided they have access to a Wi-Fi connection and the Internet. VoWi-Fi calls are routed through the Wi-Fi network (and thus the Internet) to the carrier's servers, which then connect the call to the recipient, whether the recipient (or callee) is using a cellular network, a landline, or another VoWi-Fi connection. In general, a phone must be compatible with VoWi-Fi, and the mobile carrier must support it. Almost all smartphones today offered by the Defendants from manufacturers such as Apple and Samsung are VoWi-Fi compatible.

2. VoWi-Fi vs Traditional VoIP

69. VoWi-Fi is often compared to traditional VoIP (Voice over Internet Protocol) calling. While both technologies use the Internet to transmit voice data, VoWi-Fi is integrated into the mobile network operator's infrastructure, meaning calls and texts made via VoWi-Fi are handled in the same way as traditional mobile voice calls and texts and support incoming calls to the subscriber's public switched telephone network (PSTN) phone number. Traditional VoIP services, like those offered by Google's Voice service, Meta's WhatsApp service, Microsoft's Skype service, or other

third-party apps, are separate from the mobile operator and usually require specific apps to handle calls. VoWi-Fi, in contrast, doesn't need a third-party app. Thus, one key difference between VoWi-Fi and VoIP services such as WhatsApp or Skype is that VoWi-Fi uses the phone's native dialer and contact list. This means one can make and receive calls as if they were using the regular cellular network, without needing to open a separate app or remember to check for notifications. When a user dials a number, the phone and/or the network automatically chooses between VoWi-Fi or cellular based on criteria such as availability and signal strength, which makes it seamless for users. To the degree that any competitor would wish to implement a non-carrier-integrated form of Wi-Fi calling on a smartphone, such Wi-Fi calling is typically not natively supported by smartphones, leaving non-carrier-integrated Wi-Fi calling service providers at a disadvantage. The Defendants' ownership and control of standardized Wi-Fi calling infrastructure that is integrated with their core networks thus gives them a huge advantage over non-carrier competitors because all the leading smartphones have native carrier-integrated Wi-Fi calling. And, of course, the Defendants do not permit competitors to use the Defendants' Wi-Fi related network infrastructure to offer value-priced Wi-Fi calling services that are unbundled from cellular services.

3. VoWi-Fi vs Popular Smartphone Calling Apps

70. App-based calling services like WhatsApp, Skype, or Viber rely on an Internet connection, typically Wi-Fi or mobile data, to make voice or video calls. However, unlike VoWi-Fi, these calling and messaging apps are not integrated into the phone's native calling and messaging functions. One must open the app, find the contact, and initiate a call or message from within the app itself. VoWi-Fi, on the other hand, has become integrated directly into the operating system's dialer and messaging app, the carriers making it as convenient as making traditional cellular calls

and texts. This becomes one significant difference between VoWi-Fi and third-party calling apps excluded from the smartphones native dialer and messaging functions.

71. However, this integration is artificially forced upon smartphone users by the Defendants. One weak argument offered by the carriers for this forced integration is that VoWi-Fi calls can appear to seamlessly switch between Wi-Fi and cellular networks, for example when the cellular or Wi-Fi signal gets weak. App-based calls can do the same switching between Wi-Fi and cellular data if the Wi-Fi signal weakens or if data connections fluctuate. Yet, third party apps and those that wish to compete in the VoWi-Fi market are foreclosed from offering standalone VoWi-Fi services that take advantage of the native dialer and messaging functionalities of subscriber's smartphones because of the Defendants' requirements that access to VoWi-Fi be tied to paid cellular plans. A final aspect of VoWi-Fi is its ability to support emergency services. Because VoWi-Fi is part of the carrier's network infrastructure, emergency calls made over Wi-Fi can be routed to the nearest dispatch center with an accurate location, much like traditional cellular calls. This is a significant difference from app-based calling services like WhatsApp, which typically do not support emergency services and cannot reliably provide location data to emergency responders.
72. VoWi-Fi combines the convenience and reliability of traditional cellular calls with the flexibility of internet-based calling. It offers seamless integration with the phone's native dialer, supports incoming calls to a subscriber's PSTN number, ensures emergency service support, and provides high-quality calls even in areas with poor cellular coverage. While app-based calling services like WhatsApp or Skype appear to offer similar features, they require a separate interface and often do not integrate as smoothly into the phone's core functions.

4. VoWi-Fi and the PSTN

73. The public switched telephone network (PSTN) is the aggregate of the world's telephone

networks that are operated by national, regional, or local telephony operators. It provides infrastructure and services for public telephony. The PSTN consists of telephone lines, fiber-optic cables, microwave transmission links, cellular networks, communications satellites, and undersea telephone cables interconnected by switching centers, such as central offices, network tandems, and international gateways, which allow telephone users to communicate with each other. Originally a network of fixed-line analog telephone systems, the PSTN is now predominantly digital in its core network and includes terrestrial cellular, satellite, and landline systems. These interconnected networks enable global communication, allowing calls to be made to and from nearly any telephone worldwide.

74. When a mobile call goes over the cellular towers, it's using your mobile network operator's (MNO) spectrum licenses, wires, and towers—and those things cost money to build and operate. That's why your wireless carrier charges you for cellular calling and texting—you're using their roads and infrastructure. Think of it like using a toll road: every mile you drive, you pay a fee.

5. So What's the Problem in the VoWi-Fi Market?

75. The problem is this: when you make a call using VoWi-Fi, you are providing part of the road (and a part that you already paid for)—but the phone company still charges you IN FULL like you used their cellular towers. So in simple terms:
- Calls and text that use the cellular infrastructure are expensive for your wireless carrier, which is why your wireless carrier charges you.
 - Calls and texts that use VoWi-Fi are orders of magnitude less expensive for your wireless carrier than those using the cellular infrastructure.
 - You are required to have a cellular plan to use the cellular infrastructure in order to also use

what your wireless carrier calls “free” or “no charge” VoWi-Fi.

- You are also required to pay separately to the same or alternate internet provider for your Internet access in order to use this “free” or “no charge” VoWi-Fi.

76. When consumers place calls using Voice over Wi-Fi (“VoWi-Fi”), they provide a significant portion of the infrastructure necessary to originate the call, including privately funded Wi-Fi networks and broadband internet service. Nevertheless, wireless carriers mislead consumers and continue to charge consumers these supposed “no charge” VoWi-Fi calls as if the carriers’ own cellular towers were used for the call. In fact, the cost to carriers of a VoWi-Fi call is substantially lower than the cost of a traditional cellular call, yet consumers are billed under the same rate structures due to this tying without disclosure of or reimbursement for the underlying cost differential.
77. Consumers cannot purchase VoWi-Fi service independently of traditional cellular service. Instead, wireless carriers condition access to VoWi-Fi on the purchase of a bundled cellular plan. This constitutes an unlawful tying arrangement, whereby carriers leverage their market power in mobile voice services to force consumers to purchase a full-service cellular subscription in order to obtain access to VoWi-Fi. By doing so, carriers restrain trade and foreclose potential competitors who could otherwise offer lower-cost, standalone VoWi-Fi calling services.
78. Further, wireless carriers advertise VoWi-Fi as “free” or “at no additional charge,” despite the fact that consumers must pay separately for both mobile service and broadband internet access to utilize VoWi-Fi. This marketing is materially misleading and serves to mask the anticompetitive effects of the tying arrangement. As a result, consumers suffer harm through supracompetitive pricing, reduced choice, and suppression of innovation in the market for internet-based telephony services.

C. Systemic Fraud In The Bundling And Billing Of Wi-Fi Calling Services in the VoWi-Fi Market

79. Plaintiff respectfully urges the Court to examine a typical mobile billing statement from AT&T, Verizon, or T-Mobile. Such a review will reveal that subscribers are charged for either unlimited or metered cellular voice and texting services. However, a significant portion of recent calls made by subscribers are commonly placed from personal Wi-Fi networks, business Wi-Fi connections, public hotspots such as coffee shops or airports, or during periods when cellular signals were unavailable and Wi-Fi served as the only means of communication.
80. Although many of these calls appear on billing statements as “no charge,” this label is misleading. Subscribers are required to purchase full cellular voice and texting plans in order to access Wi-Fi Calling—a service that operates independently of the carriers’ cellular networks. These calls do not traverse carrier-owned cellular towers or utilize licensed radio spectrum. Instead, they are transmitted using subscribers’ own Wi-Fi networks, routers, and broadband services, all of which are paid for and maintained separately by the subscribers.

1. The Lock-In: Tying Wi-Fi Calling to Paid Cellular Plans

81. Access to Wi-Fi Calling is contractually tied to the purchase of full cellular voice and text plans. Consumers were never given a choice. If they wanted to use Wi-Fi Calling—placing calls over their home internet or workplace Wi-Fi—they were still forced to pay for legacy cellular services, they did not want or need. There was no standalone offering. No option to unbundle. This lock-in preserved the illusion that all voice calls required the cellular infrastructure, even when that infrastructure was not used. It allowed the carriers to maintain artificially high prices by eliminating competitive pressure. This was not a technical necessity. It was a commercial

strategy. And it was unlawful.

2. The Lie: “No Charge” Advertising That Concealed Real Costs

- 82.** Next came the misrepresentation. The carriers advertised Wi-Fi Calling as “no charge”—a free benefit bundled into their plans. But in reality, this claim was hollow. When users placed calls over Wi-Fi, using their own broadband connections, the carriers still bundled the charges in their service plans as if the call had traveled across cell towers. This was a deception of billing structure, not of technology. The costs didn’t go away—they were simply hidden. And competitors were shut out from offering more affordable alternatives, because the market had been conditioned to believe Wi-Fi Calling was already “free” and only available with in a cellular calling bundle. This advertising wasn’t just misleading—it was foundational to the enterprise fraud.

3. The Engine: Unauthorized Use of VoIP-Pal’s Routing System

- 83.** Behind the curtain was a mechanism that made it possible. In a system that supports Wi-Fi Calling, it is essential to determine—before the call begins—whether the callee is reachable on-net (within the carrier’s internal network) or must be routed to the PSTN. That determination also decides where to route the call when the callee is on-net since a callee could be reachable on Wi-Fi or over traditional cellular infrastructure. This requires real-time access to database (DID records), and is the routing intelligence that is utilized by all Wi-Fi Calling systems.
- 84.** And that’s what VoIP-Pal patented. VoIP-Pal’s DID-based routing system provides this function. It is utilized by the carrier’s network to classify calls as on-net or off-net and dynamically identify on-net destinations through a private routing message. A system that uses offloading requires such a system, it is a necessary component. The Defendants utilize this system—without license

within their IMS cores. It is used to make classification and routing decisions, and is part of a system that enables the carriers to offload call traffic onto Wi-Fi, avoid cellular infrastructure costs, and still bill consumers as if the call had traveled through cell towers.

85. This ability to offload onto Wi-Fi, which utilizes VoIP-Pal's system—turned a basic call into a billion-dollar profit engine. Rather than offering Wi-Fi Calling as a standalone service, Defendants unlawfully tied Wi-Fi Calling to traditional cellular voice and text plans, locked access behind bundled packages, and continued billing consumers as if calls traversed legacy carrier infrastructure.
86. This action challenges Defendants' deceptive practices. Plaintiff will demonstrate that Wi-Fi Calling was never offered as a free or independent service, that Defendants unlawfully exploited the private routing technology without authorization, and that consumers paid, month after month, for cellular services they did not actually utilize. This is not a case of isolated billing errors or minor omissions; it is a coordinated, nationwide scheme affecting an estimated 373 million mobile subscribers. The Plaintiff seeks to expose and remedy what constitutes one of the largest telecommunications frauds perpetrated against American consumers.
87. Plaintiff will demonstrate that this Access Lock and Routing Brain two-part mechanism explains how the Plaintiff's DID-based routing system and the Defendants' forced tying scheme directly contributed to the Defendants' \$200 billion in annual gross profits. The cost savings due to offloading of Wi-Fi Calling traffic—with the contribution of the unauthorized deployment of VoIP-Pal's DID-based routing system—saved the Defendants approximately \$209.47 billion in avoided infrastructure costs between 2018 and 2024.

D. How Forced Tying, Price Collusion, And “No Charge” Devaluation Created A Triple Monopoly In The VoWi-Fi Market In Violation Of Federal Law

88. Had AT&T, Verizon, and T-Mobile offered standalone Wi-Fi Calling, they would have immediately created a competitive environment. Prices for standalone Wi-Fi Calling would have been subject to market forces. Consumers could have chosen among offerings, and carriers would have been forced to reduce not only their Wi-Fi Calling rates, but also cellular calling and texting rates, in order to stay competitive. But that is not what happened.
89. Instead, these three Defendants—controlling over 97% of the U.S. mobile voice market—chose to operate not as competitors, but as a single unlawful enterprise. They uniformly refused to offer Wi-Fi Calling as a standalone product, instead forcing every consumer to purchase bundled cellular calling and texting plans in order to access Wi-Fi Calling. This strategy was not coincidental. It was a deliberate, sustained suppression of competition—and a calculated move to exclude VoIP-Pal, the rightful innovator and infrastructure provider, from entering the market. In doing so, the Defendants violated multiple federal statutes and legal obligations.

1. Violation of the RICO Statute – 18 U.S.C. § 1962(c)

90. Under 18 U.S.C. § 1962(c), it is unlawful for any person associated with an enterprise: “to conduct or participate, directly or indirectly, in the conduct of such enterprise’s affairs through a pattern of racketeering activity.”
91. Here, the racketeering activity included:
- Wire fraud (18 U.S.C. § 1343): via electronic contracts, digital ads, mobile apps, and customer portals, misrepresenting Wi-Fi Calling as “no charge” when in reality a paid cellular calling plan was required;
 - Mail fraud (18 U.S.C. § 1341): through mailed bills, promotional offers, and printed contracts falsely claiming Wi-Fi Calling as a “no charge” addon when in reality cellular calling

charges were required;

- Enterprise coordination: Three brands operated as one, executing parallel conduct with shared intent, misleading competitive, consumers, and regulators as to the reality of Wi-Fi Calling as well as harming VoIP-Pal through their unauthorized use of VoIP-Pal's DID-based routing technology.

92. This fraudulent misrepresentation as to the reality of so-called “no charge” Wi-Fi calling, together with the unauthorized use of VoIP-Pal's DID-based routing technology done to exclude VoIP-Pal, was not merely deceptive—it constituted a pattern of racketeering activity designed to extract monopoly profits from the market and fraudulently sealed off any competition:

- **Enterprise Coordination:** AT&T, Verizon, and T-Mobile functioned as a de facto association-in-fact enterprise, jointly utilizing VoIP-Pal's DID-based routing claims.
- **Predicate Acts:** Repeated wire fraud and mail fraud via advertising Wi-Fi Calling as “no charge,” and misrepresenting it as an internal carrier function.
- **Injury to Business and Property:** VoIP-Pal has lost licensing opportunities, market access, and billions in quantifiable value—all from coordinated enterprise fraud

2. Violation of the Sherman Antitrust Act – 15 U.S.C. § 1 and § 2

93. Section 1 prohibits “every contract, combination... or conspiracy, in restraint of trade or commerce among the several States.”
94. Section 2 further prohibits “monopolization, attempted monopolization, or conspiracy to monopolize.”
95. The conduct of the Defendants—tying Wi-Fi Calling to cellular plans, collectively refusing to offer unbundled access, and falsely advertising Wi-Fi Calling as “included” or “no charge”—is a

textbook restraint of trade and attempted monopolization. It blocked the development of a competitive VoWi-Fi market and foreclosed market entry by VoIP-Pal, whose patented DID-based routing system, disclosed in U.S. Patents 8,542,815 and 9,179,005, is utilized by Wi-Fi Calling systems.

3. Violation of the Clayton Act – 15 U.S.C. § 14 and § 18

- 96. Section 3 (15 U.S.C. § 14) prohibits tying and exclusive dealing when “the effect of such... agreement... may be to substantially lessen competition or tend to create a monopoly.”
- 97. Section 7 (15 U.S.C. § 18) prohibits mergers or conduct that may “substantially lessen competition, or tend to create a monopoly.”
- 98. Here, the forced bundling of Wi-Fi Calling was a classic illegal tie-in. Wi-Fi Calling was tied to the purchase of cellular voice and text services. Consumers were not offered an alternative. VoIP-Pal was not offered a licensing arrangement. The entire market was locked down to preserve monopoly pricing across all voice services.

4. Violation of the Telecommunications Act – 47 U.S.C. § 251(c)

- 99. Section 251(c)(3) imposes a non-negotiable duty on dominant carriers to provide: “nondiscriminatory access to network elements on an unbundled basis to any requesting telecommunications carrier.”
- 100. Despite using VoIP-Pal’s DID-based routing system in their Wi-Fi Calling systems, the Defendants categorically refused to unbundle access to this infrastructure. They utilized VoIP-Pal’s DID-based routing system without license, forced bundling Wi-Fi calling to cellular calling and texting—a direct violation of Section 251 and its intended purpose: to prevent the reformation of monopolies in digital telecommunications.

5. The Direct Injury to VoIP-Pal: Exclusion, Suppression, and Devaluation

- 101.** VoIP-Pal’s patented DID-based routing system is essential for Wi-Fi Calling. But it was never licensed. Instead, it was devalued and utilized under a fraudulent claim: that Wi-Fi Calling was “no charge” and/or that Wi-Fi Calling required a bundled cellular calling plan.
- 102.** This false advertising did not just mislead consumers. It devalued VoIP-Pal’s invention, making it appear worthless in the eyes of potential partners, mobile virtual network operators (MVNOs), or infrastructure buyers. By refusing to offer standalone services, the Defendants removed all market-based pricing for Wi-Fi Calling, ensuring there was no legitimate path for VoIP-Pal to offer, license, or commercialize its own technology. This was structural foreclosure, and it inflicted billions in damages in lost licensing opportunities, reputational harm, and permanent market displacement.

THE PARTIES

A. The Plaintiff

- 103.** VoIP-Pal.com Inc. (“VoIP-Pal” or “Plaintiff”) is a publicly traded technology company incorporated in Nevada, with its principal place of business in Bellevue, Washington. VoIP-Pal is the inventor and developer of the DID-based private call routing system that forms an essential component of modern Wi-Fi Calling infrastructure. Between 2015 and 2024, this system was unlawfully deployed by the Defendants—AT&T, Verizon, and T-Mobile—across their respective IMS networks to enable offloading of mobile voice traffic, without license or compensation to VoIP-Pal.
- 104.** VoIP-Pal brings this action as the sole plaintiff. It does not do so on behalf of any consumer class. It brings this Complaint in its own right, as the excluded innovator, direct economic victim, and

primary injured party in a nationwide scheme of enterprise-level exclusion, monopolistic tying, telecommunications violations, and racketeering. The Defendants built their bundled Wi-Fi Calling business model around VoIP-Pal's invention—while simultaneously denying VoIP-Pal all access to the market its system made possible.

B. The AT&T Defendants

- 105.** Defendant AT&T, Inc. is a Delaware corporation with its principal place of business at 175 E Houston Street, San Antonio, Texas 78205. AT&T, Inc. may be served with process through its registered agent, the CT Corp System, at 1999 Bryan St., Ste. 900 Dallas, Texas 75201-3136. AT&T, Inc. is registered to do business in the District of Columbia.
- 106.** Defendant AT&T Corporation is a New York corporation with a principal place of business at One AT&T Way, Bedminster, New Jersey 07921. AT&T Corporation is a wholly owned subsidiary of AT&T, Inc., registered to do business in the District of Columbia, and may be served with process through its registered agent, the CT Corp System, at 1999 Bryan St., Ste. 900 Dallas, Texas 75201-3136.
- 107.** Defendant AT&T Services, Inc. is a Delaware corporation with a principal place of business at 175 E Houston Street, San Antonio, Texas 78205. AT&T Services, Inc. is a wholly owned subsidiary of AT&T, Inc., registered to do business in the District of Columbia, and may be served with process through its registered agent, the CT Corp System, at 1999 Bryan St., Ste. 900 Dallas, Texas 75201-3136.
- 108.** On information and belief, Scott T. Ford, Glenn H. Hutchins, William E. Kennard, Stephen J. Luczo, Marissa A. Mayer, David R. Mcatee II, Michael B. McCallister, Beth E. Mooney, Matthew K. Rose, John Stankey, Cynthia B. Taylor, and Luis A. Ubiñas are each a member of the Board of Directors of AT&T and acting in an individual corporate capacity and as part of a

collective with other members of the Board of Directors of AT&T regularly conducts business or is often present at the principal place of business of AT&T at 175 E Houston Street, San Antonio, Texas 78205 and may be served with process at that location or through its registered agent, the CT Corp System, at 1999 Bryan St., Ste. 900 Dallas, Texas 75201-3136.

109. On information and belief, members of AT&T's Board of Directors, including Scott T. Ford, Glenn H. Hutchins, William E. Kennard, and John Stankey, regularly conduct business on behalf of AT&T at its principal place of business or through its registered agent.

C. The T-Mobile Defendants

110. Defendant T-Mobile US, Inc. is a Delaware corporation with its principal place of business at 12920 SE 38th Street, Bellevue, Washington 98006. T-Mobile US, Inc. is registered to do business in the District of Columbia and may be served with process through its registered agent, Corporation Service Company, at 251 Little Falls Drive, Wilmington, Delaware 19808.
111. On information and belief, Timotheus Höttges, André Almeida, Marcelo Claure, Srikant M. Datar, Srinivasan Gopalan, Dr. Christian P. Illek, James J. Kavanaugh, Raphael Kübler, Thorsten Langheim, Dominique Leroy, Letitia A. Long, Mark Nelson, Mike Sievert, Teresa A. Taylor, and Kelvin R. Westbrook are each a member of the Board of Directors of T-Mobile and acting in an individual corporate capacity and as part of a collective with other members of the Board of Directors of T-Mobile regularly conducts business or is often present at the principal place of business of T-Mobile at 12920 Southeast 38th Street, Bellevue, Washington 98006 and may be served with process at that location or through its registered agent, Corporation Service Company, 211 E. 7th Street, Suite 620, Austin, Texas 78701.
112. On information and belief, members of T-Mobile's Board of Directors, including Timotheus Höttges, G. Michael Sievert, Letitia A. Long, and Teresa A. Taylor, regularly conduct business

on behalf of T-Mobile US at its principal place of business or through its registered agent.

D. The Verizon Defendants

- 113.** Defendant Verizon Communications, Inc. is a Delaware corporation with its principal place of business at 140 West Street, New York, New York 10013. Verizon Communications, Inc. is registered to do business in the District of Columbia and may be served through its registered agent, the Corporation Trust Company, at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.
- 114.** Defendant Cellco Partnership dba Verizon Wireless is a Delaware general partnership with a principal place of business at One Verizon Way, Basking Ridge, New Jersey 07920. Cellco Partnership is a wholly owned subsidiary of Verizon Communications, Inc., registered to do business in the District of Columbia, and may be served with process through its registered agent.
- 115.** On information and belief, Verizon Services Corp. is a Delaware corporation with a principal place of business at 1717 Arch Street, 21st Floor Philadelphia, Pennsylvania 19103. Verizon Services, Corp. may be served with process through its registered agent, the CT Corporation System, at 1999 Bryan St., Ste. 900 Dallas, Texas 75201-3136. On information and belief, Verizon Services Corp. is a wholly owned subsidiary of Verizon Communications, Inc. On information and belief, Verizon Services Corp. is registered to do business in the District of Columbia.
- 116.** On information and belief, Verizon Business Network Services Inc. is a Delaware corporation with a principal place of business at 22001 Loudin County Parkway Ashburn, Virginia 20147. Verizon Business Network Services, Inc. may be served with process through its registered agent, the CT Corporation System, at 1999 Bryan St., Ste. 900 Dallas, Texas 75201-3136. On information and belief, Verizon Business Network Services, Inc. is a wholly owned subsidiary of

Verizon Communications, Inc. On information and belief, Verizon Business Network Services, Inc. is registered to do business in the District of Columbia.

117. On information and belief, Vittorio Colao, Shellye L. Archambeau, Mark T. Bertolin, Roxanne S. Austin, Melanie L. Healey, Laxman Narasimhan, Clarence Otis, Jr., Daniel H. Schulman, Rodney E. Slater, Carol B. Tomé, Vandana Venkatesh, Hans Vestberg, and Gregory G. Weaver are each a member of the Board of Directors of Verizon and acting in an individual corporate capacity and as part of a collective with other members of the Board of Directors of Verizon regularly conducts business or is often present at the principal place of business of Verizon at 140 West Street, New York, New York 10013 and at 600 Hidden Ridge, Irving, TX 75038 and may be served with process at that location or through its registered agent, Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 or the CT Corporation System, at 1999 Bryan St., Ste. 900 Dallas, Texas 75201-3136.
118. Members of Verizon's Board of Directors, including Hans Vestberg, regularly conduct business on behalf of Verizon at its principal place of business.

JURISDICTION AND VENUE

119. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1337, as this action arises under:
- Sections 1 and 2 of the Sherman Antitrust Act, 15 U.S.C. §§ 1, 2;
 - Sections 3 and 7 of the Clayton Act, 15 U.S.C. §§ 14, 18;
 - Section 251(c)(3) of the Telecommunications Act of 1996, 47 U.S.C. § 251(c)(3); and
 - The Racketeer Influenced and Corrupt Organizations Act (RICO), 18 U.S.C. § 1962(c).
120. Jurisdiction is also proper under Sections 4 and 6 of the Clayton Act (15 U.S.C. §§ 15 and 26),

which provide a private right of action for treble damages, injunctive relief, and the recovery of costs and attorneys' fees by any party injured in its business or property by reason of antitrust violations.

121. This Court has supplemental jurisdiction under 28 U.S.C. § 1367 over any state law claims that arise from the same nucleus of operative fact and form part of the same case or controversy under Article III of the U.S. Constitution.
122. Venue is proper in this District under Section 12 of the Clayton Act, 15 U.S.C. § 22, and 28 U.S.C. § 1391(b) and (c), because one or more Defendants reside in this District, transact business in this District, and because a substantial portion of the events giving rise to this Complaint occurred here.
123. The Defendants, through their monopolistic conduct, forced bundling, and enterprise-level racketeering, have injured VoIP-Pal in this District and throughout the United States. Their acts have directly and substantially affected interstate commerce and have resulted in measurable economic harm to VoIP-Pal, including lost revenue, competitive foreclosure, and market exclusion from the VoWi-Fi services sector.

A. Why Rico Captures The Full Scope Of Defendants Fraud

124. This case involves far more than isolated instances of consumer deception, unauthorized technology use, or unlawful service bundling. At its heart, this Complaint alleges a deliberate, sustained, six-year campaign of nationwide deception by AT&T, Verizon, and T-Mobile—three of America's largest telecommunications companies—operating collectively as a unified RICO enterprise.

125. While the Defendants’ conduct independently violates multiple federal laws, including:
- Sherman Act: Prohibiting unlawful tying arrangements;
 - Clayton Act: Forbidding anticompetitive practices suppressing competition;
 - Telecommunications Act: Mandating unbundled access to essential infrastructure;
126. The Racketeer Influenced and Corrupt Organizations (RICO) Act, codified under 18 U.S.C. §§ 1961–1968, lays the foundation for these antitrust and anticompetitive violations and fully captures the systematic, structural, and coordinated nature of the Defendants’ fraudulent actions into a single RICO enterprise.

1. Statutory Foundation: 18 U.S.C. § 1962(c)

127. Under the statute:
- “No person employed by or associated with any enterprise... shall conduct or participate, directly or indirectly, in the conduct of such enterprise’s affairs through a pattern of racketeering activity.”
128. The Defendants precisely violated this statute by orchestrating ongoing racketeering activities across their coordinated networks. Their enterprise operated through two critical mechanisms:
- The Access Lock: A forced tying scheme compelling subscribers to purchase costly cellular voice/text plans as a mandatory condition for accessing Wi-Fi Calling.
 - The Routing Brain: The Routing Brain controls how Wi-Fi calls are classified and routed. This system utilizes the DID-based routing functionality developed and patented by VoIP-Pal. The Defendants utilize this logic within their IMS cores. It enables their networks to dynamically determine where a callee can be reached when the callee is on a private, on-net path—a necessary part of routing voice traffic using Wi-Fi which offloads it from costly cellular infrastructure. In simple terms, the Routing Brain provides part of the

intelligence that allowed the carriers to route calls. It uses a subscriber database (DID record) to classify destinations as on-net or off-net and to identify on-net destinations and locate the callee—as recited in VoIP-Pal’s DID claims.

- 129.** Together, the Access Lock and the Routing Brain form the technical and economic backbone of the enterprise whereby the Access Lock created a dependency on cellular plans by tying Wi-Fi Calling behind a paywall; and the Routing Brain is utilized in the profitable offloading by determining whether those calls could be routed on-net and locating on-net callees. Deployment by the Defendants of these mechanisms into the market was neither accidental nor incidental. They constituted deliberately engineered structural elements central to the Defendants’ joint fraudulent business model.

2. Structural Fraud: Exactly What RICO Was Enacted to Combat

- 130.** Unlike other statutes addressing isolated illegal activities, RICO explicitly targets sustained, coordinated fraud entrenched within an enterprise’s operational framework. Here, the Defendants collectively and systematically:
- Utilized VoIP-Pal’s DID-based routing system in their private IMS networks without license;
 - Forced the tying of cellular calling and texting to Wi-Fi Calling offered as a “no charge” add-on;
 - Misrepresented Wi-Fi Calling nationwide as “included at no charge,” despite forcing consumers into costly cellular bundles;
 - Issued identical deceptive billing statements, contractual language, and marketing materials to millions of subscribers across all fifty states;
 - Coordinated their market strategies, technical deployment, and pricing models as though they

constituted a single corporate entity, rather than separate competitors.

131. This precise scenario matches RICO’s definition of enterprise fraud—structured, coordinated, and executed continuously to deceive consumers, exclude competition, and monopolize market power.

3. Pattern and Predicate Acts of Racketeering Activity

132. Pursuant to 18 U.S.C. § 1961(1)(B), the Defendants’ ongoing fraudulent conduct explicitly qualifies as predicate acts of racketeering, including:

- Mail Fraud (18 U.S.C. § 1341): Repeatedly mailing deceptive billing statements, subscriber agreements, and service descriptions, systematically misrepresenting Wi-Fi Calling costs and infrastructure usage.
- Wire Fraud (18 U.S.C. § 1343): Continuously transmitting false and misleading digital marketing, electronic bills, app-based information, and online service descriptions, consistently deceiving consumers into believing Wi-Fi Calling was a free and standalone feature.

133. These acts were not isolated events—they formed essential, integral components of the Defendants’ unified fraudulent scheme, enabling:

- Sustained false advertising;
- Systematic consumer deception through fraudulent billing practices;
- Persistent market foreclosure by deliberately preventing standalone Wi-Fi Calling services from emerging, thereby maintaining artificially inflated bundled service prices.

4. The Defendants’ Structural Fraud Defies Legal Precedent

134. In *Sedima, S.P.R.L. v. Imrex Co.*, 473 U.S. 479 (1985), the Supreme Court ruled unequivocally

that RICO applies when businesses systematically employ fraudulent practices to secure economic gain, even when integrated into otherwise legitimate operations. The court emphasized that RICO encompasses persistent fraudulent activity within legitimate businesses.

135. **Application to the Case:** The Defendants systematically deceived subscribers, generating billions through the misrepresentation of Wi-Fi calling delivery methods, falsely billing customers as if cellular infrastructure was utilized, and excluding competitive alternatives. This enterprise-level deception precisely meets the standard established by *Sedima*.
136. In *Conwood Co. v. U.S. Tobacco Co.*, 290 F.3d 768 (6th Cir. 2002), the Sixth Circuit affirmed significant RICO damages exceeding \$1 billion where a dominant entity employed deceptive strategies to exclude competition, thereby causing widespread consumer harm.
137. **Application to the Case:** Similarly, the Defendants excluded VoIP-Pal by utilizing its patented DID-based routing system without permission, thereby locking down the Wi-Fi Calling market. Consumers suffered systematic harm by being denied competitive pricing, transparent service choices, and benefits that genuine market competition would have provided. Conwood directly parallels the strategic exclusion and resulting consumer harm present here.
138. In *Bridge v. Phoenix Bond & Indemnity Co.*, 553 U.S. 639 (2008), the Supreme Court clarified that plaintiffs need not individually demonstrate reliance on fraudulent acts under RICO; rather, plaintiffs must establish that the systemic fraud itself caused economic injury.
139. **Application to the Case:** Plaintiff VoIP-Pal and approximately 373 million U.S. mobile subscribers suffered direct economic injury as a result of Defendants' systemic enterprise fraud. Under the standard articulated in *Bridge*, Plaintiffs are not required to demonstrate individualized reliance on each false statement; it is sufficient to show that Defendants' coordinated scheme of false advertising, forced tying, and concealment of the true costs and nature of Wi-Fi Calling

caused widespread economic harm. Defendants’ fraudulent marketing of Wi-Fi Calling as “no charge,” combined with the contractual bundling of Wi-Fi Calling access to paid cellular service, deprived VoIP-Pal of licensing revenues, excluded it from the VoWi-Fi services market, and suppressed the competitive value of its DID-based routing technology. Simultaneously, mobile subscribers were injured by being forced to purchase bundled cellular services they did not need, being misled into believing Wi-Fi Calling was free, and being denied access to standalone, competitively priced VoWi-Fi alternatives. The fraudulent enterprise harmed both the innovator and the consumer in parallel, satisfying the RICO requirement that the systemic fraud itself—not any individualized misunderstanding—caused measurable economic injury.

5. Illicit Profit Confirms the Fraud Rather Than Defending Against It

- 140.** Defendants’ multi-billion-dollar profits were not the result of legitimate innovation or fair competition, but rather the product of systemic deception, exclusion of competitors, and coordinated manipulation of the mobile voice market. Instead of passing infrastructure cost savings to consumers or licensing VoIP-Pal—an innovator behind essential Wi-Fi Calling technology—Defendants deliberately excluded competition, misrepresented the true nature and cost of Wi-Fi Calling, and retained all economic gains for themselves.
- 141.** This case falls squarely within the scope of misconduct that the RICO statute was designed to address. Defendants engaged in coordinated deceptive practices across ostensibly competing entities, relied persistently on mail and wire fraud to execute fraudulent billing and marketing campaigns, and inflicted widespread consumer and innovator harm that cannot be fully remedied through patent or antitrust law alone. Their conduct reflects an enterprise-level fraud requiring full civil remedies under RICO, including treble damages, disgorgement, and injunctive relief

B. RICO Enterprise Liability Under § 1962(c)

1. Establishing the Five Core Elements of a RICO Enterprise

- 142.** This case is not about billing errors or mere contractual breaches. It is about a sustained, six-year racketeering scheme that directly excluded VoIP-Pal from the VoWi-Fi market—while generating over \$200 billion in annual profit for the Defendants and enabling them to avoid \$209.47 billion in infrastructure costs. The conduct was intentional, enterprise-wide, and facilitated by a DID-based routing system that VoIP-Pal invented—and which the Defendants utilized without license.
- 143.** At the heart of the scheme were two coordinated mechanisms: The Access Lock, a forced tying arrangement that required all consumers to purchase bundled cellular voice and texting plans in order to access Wi-Fi Calling; and the Routing Brain, VoIP-Pal’s DID-based routing system, utilized by all three Defendants within their IMS networks that employ offloading to subscriber-funded Wi-Fi connections.
- 144.** Together, these mechanisms meet all five elements required under 18 U.S.C. § 1962(c) to establish a RICO violation: enterprise, association-in-fact, pattern of racketeering activity, continuity, and injury.

2. RICO Enterprise: A Unified Commercial and Technical Scheme

- 145.** Under 18 U.S.C. § 1961(4), an “enterprise” includes any group of entities “associated in fact although not a legal entity.” AT&T, Verizon, and T-Mobile, while independent legal corporations, acted in concert as a de facto cartel, jointly implementing identical pricing models, service contracts, and routing practices.
- 146.** Each Defendant offered the same “Wi-Fi Calling is included” marketing language. None offered

Wi-Fi Calling as a standalone product. Each utilized the Routing Brain—VoIP-Pal’s DID-based routing system—into its IMS core, routing billions of calls over consumer-owned broadband while continuing to bill as if using carrier-owned towers.

147. This shared behavior constitutes a unified economic structure and a joint technical strategy. The enterprise acted with singular purpose and execution—an archetypal “association-in-fact” under *United States v. Turkette*, 452 U.S. 576 (1981).

3. RICO Association-in-Fact: Structure and Purpose Under Boyle v. United States

148. In *Boyle v. United States*, 556 U.S. 938 (2009), the Supreme Court clarified that a RICO enterprise need not have formal hierarchies; it must only show a shared purpose, relationship among actors, and sufficient structure to coordinate illegal acts. All three Defendants engaged in a coordinated and continuous practice of:

- Requiring bundled cellular service to access Wi-Fi Calling (Access Lock); and
- Using VoIP-Pal’s DID-based routing system (Routing Brain) to classify and route traffic as part of the Defendants’ offloading calls without using cellular towers.

149. This informal structure was more than sufficient to support coordination. The Defendants mirrored each other in contract terms, billing presentation, and technical deployment. Boyle’s criteria are fully satisfied.

4. RICO Pattern of Racketeering Activity: Mail and Wire Fraud

150. The Defendants routinely disseminated contracts, bills, and advertising materials that misrepresented both the pricing and delivery of Wi-Fi Calling. These misrepresentations—transmitted via mail and electronic communication—constitute violations of:

- 18 U.S.C. § 1341 (mail fraud); and

- 18 U.S.C. § 1343 (wire fraud).

- 151.** The fraud was embedded in their business model: Wi-Fi calls were tied to cellular calling plans and essentially billed as though they used cellular infrastructure, despite being routed over the subscriber's personal Wi-Fi—using VoIP-Pal's DID-based routing system without authorization. Consumers were falsely told the service was “included at no charge,” and the contracts were structured to hide the forced tying.
- 152.** These misrepresentations qualify as wire fraud (18 U.S.C. § 1343) and mail fraud (18 U.S.C. § 1341), as it was repeatedly disseminated through digital platforms, service agreements, and mailed billing statements.

Billing info

When using Wi-Fi Calling, you'll be billed based on the number you call and where you're calling from.

Calling from the U.S.

- You can call U.S. numbers with no additional charge. Plus, it won't count against your talk limits.
- When you call 411 and other special service numbers, you'll be billed at standard premium rates. Starting November 1, 2021, Directory Assistance won't be available on your wireless device.
- When you call an international number you'll be billed at [international long distance \(ILD\) rates](#).

Calling from outside the U.S.

- Wi-Fi calls from other countries to U.S. numbers are at no additional charge.
- Have AT&T Prepaid? Wi-Fi calls to international numbers are billed at [international long distance rates](#).
- Have A&T Wireless? Wi-Fi calls to international numbers are billed based on the international roaming add-on you select:
 - AT&T International Day Pass (IDP):** Wi-Fi calls from an IDP destination to any IDP destination (210+) are included in the daily fee.
 - AT&T Passport:** Wi-Fi calls are billed at the low Passport per-minute rate.
 - AT&T Cruise:** Wi-Fi calls are included in your cruise package calling allowance.
 - Pay-per-use:** If you don't have an international roaming add-on, calls are billed at a [per-minute rate](#) based on the country you're in.

CHAT

153.

154. See <https://www.att.com/support/article/wireless/KM1063258>.

verizon Mobile Home Internet Shop Deals Sea

Get iPhone 16 on us with select Unlimited Plans. Online Only. | [Buy](#). Or get up to \$540 when you [bring your own pl](#)

How much does Wi-Fi Calling cost? ^

Charges for using the built-in Wi-Fi Calling feature for plans with unlimited talk and text

Wi-Fi Calling	Charges
Calls & texts to / from US numbers	No charges.
Calls & texts to other countries from the US	You're charged as per your international long distance calling plan. If you don't have one, you're charged pay-as-you-go rates.
Calls & texts when you're outside the US	<ul style="list-style-type: none"> Calling back to the US is free. Calls to any other country will be charged as per your international long distance calling plan. If you don't have one, you're charged international long distance pay-as-you-go rates.


Calls & texts to / from US numbers **No charges.**

Calling back to the US **is free.**

155.

156. See <https://www.verizon.com/support/wifi-calling-faqs/>.

⋮



jfpoje

Enthusiast - Level 2

31


09-07-2021 11:04 AM

↑ In response to vzw_customer_support

Hi,


My wife's phone has significant connection issues while in our home as well. I obviously can't speak to whether her phone works at my place of work.

Zip codes in question are 60526 and 60153.


11 Likes

Reply

⋮



vzw_customer_support

Customer Service Rep

31


09-09-2021 11:11 AM

↑ In response to jfpoje

Thank you for those details, jfpoje.

We always want you to have the best wireless experience with our services. Please allow me to explain that indoor use is a challenge for all carriers. In a case like this, where the trouble is indoors only, generally the relevant factor is going to be proximity to cell site. Due to physics, radio frequencies get reduced penetration through solid materials and thus indoor signal is hampered when compared to outdoor signal. This is the reason you may notice a difference when stepping outside. As no carrier can guarantee indoor coverage, we partner with our manufacturers to build indoor solutions such as WiFi Calling. Now that the devices have advanced, a Network Extender is no longer needed. WiFi Calling is free and unlimited, and it is a great indoor solution. Your phone can utilize your WiFi signal for calls, just like you do for data. Check out this page for more information: <https://www.verizon.com/support/wifi-calling-faqs/>

-Jordan


1 Like

WiFi Calling is free and unlimited,

157.

158. See Verizon's Public Customer Support Forum. Subscriber question answered by a Verizon customer service representative named Jordan on September 9, 2021. <https://community.verizon.com/t5/Mobile-Network-Archive>.

SLASHGEAR

NEWS // TECH

f

P

GS

Wi-Fi

NEWSLETTER

ADVERTISE


TECHNOLOGY

T-MOBILE MAKES WIFI CALLING

FREE FOR USERS WITH

COMPATIBLE PHONES

BY SHANE MCGLAUN / MAY 17, 2011 5:31 AM EST



you can now make Wi-Fi calls on your T-Mobile device that don't count against the number of minutes your are allotted monthly

If you are a user of the T-Mobile network in the US and you have a mobile phone with supports UMA we have some good news for you. You can now make WiFi calls on your T-Mobile device that don't count against the number of minutes you are allotted monthly. Before now, the calls placed using WiFi did count against your allotment. That was hardly a good deal for customers since the calls typically used the bandwidth and WiFi connectivity that the user was paying for already.

ADVERTISEMENT

So far, there is no official press release from T-Mobile. Gigaom reports that it received the official confirmation from a T-Mobile rep. The T-Mobile rep told Gigaom in the email, "We are excited to expand our Wi-Fi Calling feature, a unique and valuable service T-Mobile has been offering customers for over three years. Starting today, T-Mobile customers can add Free Wi-Fi Calling to their rate plan – at no additional charge – to place calls over Wi-Fi without deducting from their allotment of minutes. This new feature is available at T-Mobile retail stores to all customers on Even More and Even More Plus Postpaid rate plans who have Wi-Fi Calling capable handsets."

ADVERTISEMENT

T-Mobile customers can add Free Wi-Fi Calling to their rate plan – at no additional charge

159.

61

160. See <https://www.slashgear.com/t-mobile-makes-wifi-calling-free-for-users-with-compatible-phones-17152428/>. May 17, 2011 article in SlashGear by technology writer Shane McGlaub.

The screenshot shows the T-Mobile website's support page for Wi-Fi Calling. The page is titled 'What you're charged on Wi-Fi Calling' and is divided into two main sections: 'What you're doing' and 'What you're charged on Wi-Fi Calling'.

What you're doing:

- Receiving any calls or messages
- Calling to U.S.* phone numbers
- Sending messages to U.S.* phone numbers

What you're charged on Wi-Fi Calling:

If you have an unlimited plan:

- Any incoming calls: No fees
- Any incoming messages: No fees
- Outgoing calls and messages that you make to U.S. phone numbers: No fees

If you have a plan without unlimited, calls and messages count against your plan limits.

When you're in the U.S., Wi-Fi calls placed to other countries are subject to your plan's long-distance charges. Check [stateside international rates](#) for long-distance fees.

When you're outside the U.S. (international roaming) and have an unlimited plan:

- When in [215+ countries and destinations](#), calls are \$0.25/min for roaming (same as cellular).
- When on a cruise ship/ferry network, airline (in-flight) network, or any countries not included in the 215+ list, calls are charged at [World Class rates](#).

If you don't have an unlimited plan, calls to other countries are charged at [World Class Calling rates](#).

Calling to international (non-U.S.*) phone numbers

When you're in the U.S., messages sent while connected to Wi-Fi Calling are subject to your plan's long-distance charges. Check [stateside international rates](#) for long-distance fees.

When you're outside the U.S. (international roaming) and have an unlimited plan:

- When in [215+ countries and destinations](#), messages are not charged for roaming.

Sending messages to international (non-U.S.*) phone numbers

- 161.
162. See <https://www.t-mobile.com/support/coverage/wi-fi-calling-from-t-mobile>.
163. Under *Bridge v. Phoenix Bond*, 553 U.S. 639 (2008), individual reliance is not required. Systemic fraud causing widespread harm to competitors qualifies. Here, VoIP-Pal was the direct victim—excluded from the VoWi-Fi market, denied licensing, and robbed of billions in opportunity.

5. RICO Predicate Act 1: Forced Tying of Wi-Fi Calling to Cellular Calling and Texting

- 164.** The Defendants uniformly require subscribers to purchase bundled cellular calling and texting services as a mandatory condition for accessing Wi-Fi Calling. By doing so, they improperly tie two distinct services in a manner that forecloses competitive entry by alternative VoWi-Fi providers. Subscribers are systematically denied the option of purchasing Wi-Fi Calling as a standalone service. The existence of this tying arrangement is not merely speculative; it is thoroughly documented within the Defendants' billing records, marketing communications, and published service terms. The uniformity and consistency across all three carriers confirm a concerted refusal to deal and reveal a structurally orchestrated suppression of competition.
- 165.** When intentionally concealed through misleading advertising, billing practices, and subscriber contracts sent by mail and electronic communications, this anticompetitive tying arrangement constitutes a clear fraudulent scheme meeting the predicate acts of racketeering under 18 U.S.C. §§ 1341 (mail fraud) and 1343 (wire fraud). To conclusively establish these predicate acts, the Plaintiffs will present publicly available, self-authenticating documentary evidence directly from AT&T, Verizon, and T-Mobile. Such evidence includes:
- Official product descriptions and customer-facing FAQs;
 - Billing policy statements explicitly noting that Wi-Fi Calling requires an active cellular service subscription;
 - Regulatory filings and disclosures acknowledging that standalone Wi-Fi Calling services are intentionally unavailable.
- 166.** These authoritative documents will demonstrate beyond dispute that forced tying was not accidental or incidental; rather, it formed a deliberate part of an overarching enterprise strategy

to restrict competition, inflate consumer pricing artificially, and sustain the Defendants' monopolistic control.

6. RICO Predicate Act 2: False Advertising of Wi-Fi Calling as “No Charge”

- 167.** Despite compelling technical, commercial, and legal evidence demonstrating that Wi-Fi Calling imposes tangible and measurable costs upon consumers, AT&T, Verizon, and T-Mobile have consistently marketed Wi-Fi Calling as a “no charge” or “included” service—but only available if subscribers first purchase bundled cellular voice and texting services.
- 168.** This repeated and intentional misrepresentation is not accidental or incidental; it is fundamental to the Defendants' coordinated enterprise scheme. By deceptively promoting Wi-Fi Calling as “free,” they effectively lock consumers into purchasing cellular services they might otherwise forego—a core component of their unlawful tying arrangement, known as the Access Lock.
- 169.** Behind this systematic deception also lies the Routing Brain—the DID-based routing system leveraging VoIP-Pal's patented call-routing technology. The Defendants utilize VoIP-Pal's system as a necessary element in their offloading to route subscribers' Wi-Fi calls through their internal IMS networks. These calls avoid traditional cellular infrastructure in one or more legs of the call and the Defendants thus incur substantially reduced infrastructure costs. Yet, consumers are bundled into plans that continue to bill subscribers as if every call had utilized costly legacy networks. Contrary to the Defendants' uniform marketing claims, Wi-Fi Calling imposes substantial real-world costs on subscribers. Specifically, Wi-Fi Calling:
 - Relies in part on subscriber-funded broadband connections rather than carrier-funded cellular towers;
 - Is inaccessible as a standalone service, requiring subscribers to purchase full-priced cellular

voice and texting bundles;

- Provides subscribers no option to opt out or receive credit for the bypassed cellular infrastructure they are required to for to access VoWi-Fi calling as part of their bundled plan.

170. Despite these documented costs, the Defendants systematically and uniformly advertise Wi-Fi Calling as “no charge.” Such deceptive marketing is consistently communicated through multiple consumer-facing channels, including:

- Official carrier customer support webpages;
- Subscriber billing FAQs and statements;
- Nationwide multimedia advertising campaigns;
- Mobile device onboarding screens and user agreements.

171. Plaintiff has preserved extensive evidence of these deceptive marketing practices, including authenticated screenshots and archived promotional materials, all of which will be submitted into the record. This evidence will decisively confirm that the Defendants, operating as a unified and coordinated enterprise, deliberately misrepresented Wi-Fi Calling to consumers, strategically leveraging it to reinforce their illegal tying arrangement, inflate subscriber costs, and prevent market entry by standalone VoWi-Fi competitors.

7. RICO Continuity: Six Years of Structured Racketeering (2018–2024)

172. The scheme was not brief or incidental. From 2018 through at least 2024, the Defendants:

- Maintained the Access Lock across all consumer contracts;
- Continued to offload Wi-Fi Calling traffic and used VoIP-Pal’s DID routing system in that offloading;

- Offered no licensing opportunities;
- Reaped infrastructure savings by offloading voice traffic while billing it as if carried on towers.

173. The Supreme Court’s continuity test in *H.J. Inc. v. Northwestern Bell*, 492 U.S. 229 (1989), is met. The conduct spanned multiple years, was embedded into core business strategy, and poses a threat of continued repetition. It was not episodic—it was systemic.

8. RICO Injury: Economic Exclusion and Competitive Destruction of VoIP-Pal

174. Under 18 U.S.C. § 1964(c), any person injured in business or property by a violation of § 1962(c) has standing to recover.
175. VoIP-Pal satisfies this element unequivocally. Its DID-based routing system was deployed by the Defendants across the industry without licensing. Its market opportunity to offer licensing and standalone Wi-Fi Calling products was extinguished. Its revenue, valuation, and contractual negotiations were directly undermined by Defendants’ refusal to license the system—while utilizing it for their own profit.
176. The exclusion was not accidental. It was part of the enterprise fraud. The financial injury to VoIP-Pal—through lost licensing and lost market access—was direct, measurable, and fully actionable under *Sedima v. Imrex*, 473 U.S. 479 (1985).

9. Summary: § 1962(c) Satisfied

177. All five elements under § 1962(c) are conclusively demonstrated:
- Enterprise: The Defendants formed an association-in-fact enterprise with unified conduct and purpose.
 - Association-in-Fact: The structure and coordinated practices meet the Boyle test.

- Racketeering Acts: The use of mail and wire fraud to implement deceptive billing, forced tying, and unauthorized routing is well-established.
- Continuity: The scheme lasted six years and remains operational.
- Injury: VoIP-Pal has suffered direct business and property harm.

178. This is not speculative. The enterprise exists. The system was used. The licensing was refused. The market was closed. And the law was broken.

179. Under RICO § 1964(c), VoIP-Pal now seeks treble damages, full injunctive relief, and the judicial dismantling of the enterprise structure that excluded it from the voice market it helped build

180. RICO Predicate Acts: Forced Tying and False Advertising Laying the Foundation for Antitrust Violations

181. The Defendants' pattern of racketeering activity, as defined under 18 U.S.C. § 1961(1), consists of multiple acts of commercial fraud and market exclusion. These acts constitute not only wire and mail fraud under 18 U.S.C. §§ 1341 and 1343 but also critical violations of antitrust law under the Sherman Act (15 U.S.C. §§ 1–2) and the Clayton Act (15 U.S.C. §§ 14, 18, 26). When undertaken as part of a single, orchestrated enterprise scheme, these violations not only become independently actionable under RICO § 1962(c), but lay the foundation for monopolistic antitrust liability under the Clayton and Sherman Acts.

C. RICO Association-in-Fact: Antitrust Monopoly Power

182. In *Boyle v. United States*, 556 U.S. 938 (2009), the Supreme Court clarified that a RICO enterprise need not have formal hierarchies; it must only show a shared purpose, relationship among actors, and sufficient structure to coordinate illegal acts. All three Defendants engaged in a coordinated and continuous practice of requiring bundled cellular service to access Wi-Fi Calling (Access

Lock) and using VoIP-Pal's DID-based routing system (Routing Brain) as part of the Defendants offloading scheme without using cellular towers. This informal structure was more than sufficient to support coordination. The Defendants mirrored each other in contract terms, billing presentation, and technical deployment. Boyle's criteria are fully satisfied.

183. Sherman Act § 1 prohibits combinations in restraint of trade. The Defendants are an association-in-fact under RICO that presents a unified practice of bundling Wi-Fi Calling with mandatory cellular services illegally under section 1 directly restrained competition by blocking alternative VoWi-Fi market entrants such as VoIP-Pal.
184. Sherman Act § 2 prohibits monopolization. Together, AT&T, Verizon, and T-Mobile are an association-in-fact under RICO that control more than 97% of the mobile voice market. Their collective dominance and monopolization (illegal under section 2) was used to deny VoIP-Pal market access and preserve their own closed infrastructure systems.
185. Clayton Act § 3 prohibits tying arrangements and exclusive dealing that substantially lessen competition. By conditioning Wi-Fi Calling on cellular subscription and refusing to unbundle Wi-Fi Calling services, the Defendants as an association-in-fact under RICO eliminated price competition, foreclosed VoIP-Pal's deployment options, and inflated their monopoly control over voice traffic. These tying arrangements were further sustained through false advertising, deceptive billing, and the unauthorized deployment of VoIP-Pal's technology.

1. RICO Predicate Act: Antitrust Forced Tying of Wi-Fi Calling to Cellular Calling and Texting

186. The Defendants systematically required subscribers to purchase bundled cellular calling and texting plans as a condition for accessing Wi-Fi Calling. This tying arrangement foreclosed competition by making it impossible for standalone VoWi-Fi providers—including VoIP-Pal—

to enter the market. Wi-Fi Calling was never available as a standalone offering, despite being technically feasible and economically efficient. VoIP-Pal, as a developer of essential routing technology, was ready and able to license or deploy such alternatives, yet was categorically blocked by the Defendants' refusal to unbundle.

187. This forced tying arrangement was explicitly documented across the Defendants' own customer support pages, contractual billing terms, regulatory filings, and marketing communications—all of which demonstrate a deliberate and coordinated refusal to allow disaggregated service access.
188. Sherman Act § 1 prohibits combinations in restraint of trade. The Defendants' unified practice of bundling Wi-Fi Calling with mandatory cellular services directly restrained competition by blocking alternative VoWi-Fi market entrants such as VoIP-Pal. More particularly, section 1 of the Sherman Antitrust Act prohibits "[e]very contract, combination... or conspiracy, in restraint of trade or commerce among the several States." To adequately plead a Section 1 violation, a plaintiff must allege: (1) an agreement, combination, or conspiracy among two or more entities; (2) that unreasonably restrains trade; and (3) that causes antitrust injury—harm to competition, not merely to a competitor.
189. Defendants AT&T, Verizon, and T-Mobile engaged in an unlawful tying arrangement that satisfies all elements necessary to plead a Section 1 violation. Defendants, who collectively control over 97% of the mobile voice subscriber market, conspired to condition consumer access to Wi-Fi Calling—a technologically distinct product—upon the mandatory purchase of bundled cellular voice and texting services. Consumers seeking to use Wi-Fi Calling could not do so independently; instead, they were forced to pay for a full cellular plan, regardless of whether they needed or intended to use traditional cellular voice services.
190. The existence of an agreement among Defendants is laid in the foundation of as a RICO enterprise

and is evident from the uniformity of their conduct: each carrier adopted the same contractual terms, bundled Wi-Fi Calling identically with cellular service, and marketed the feature as “included” or “no charge,” without offering any standalone VoWi-Fi option. The parallel conduct was not the result of coincidence or independent business judgment; it reflected a concerted refusal to compete on unbundled Wi-Fi Calling services, demonstrating a tacit, if not explicit, horizontal agreement to restrain trade.

191. The Defendants’ tying arrangement constitutes a per se unlawful restraint of trade because it involved the forced purchase of a separate, non-integrated product—cellular service—as a condition of obtaining Wi-Fi Calling. Courts have long held that tying arrangements that involve market power over the tying product (here, cellular services) and a not-insubstantial volume of commerce in the tied product (here, Wi-Fi Calling) are per se illegal because they “coerce” consumer purchasing decisions and exclude alternative providers. Here, with 373 million subscribers subjected to forced bundling, the volume of commerce tied is massive. In addition, VoIP-Pal and other market participants were foreclosed from participating.
192. Alternatively, if the Court were to require rule of reason analysis, the tying arrangement would still be unlawful because its anticompetitive effects far outweigh any plausible procompetitive justifications. The forced bundling foreclosed the emergence of a competitive standalone Wi-Fi Calling market, artificially preserved Defendants’ control over voice communications, and denied consumers access to lower-cost, innovative VoWi-Fi options potentially offered by VoIP-Pal. There is no technological necessity for tying Wi-Fi Calling to cellular plans.
193. The tying arrangement unreasonably restrained trade by eliminating consumer choice and suppressing competition. No consumer could access Wi-Fi Calling on a standalone basis. Nor could alternative providers, including VoIP-Pal, offer competitive VoWi-Fi services to

consumers because Defendants' tying arrangement foreclosed the market at the contractual level.

- 194.** As a direct and proximate result of the unlawful tying, Plaintiff VoIP-Pal has suffered substantial antitrust injury. VoIP-Pal was deprived of the opportunity to license, deploy, or commercially exploit its DID-based routing system in a competitive marketplace. The forced bundling not only suppressed VoIP-Pal's commercial prospects but devalued its technology by creating the false market perception that Wi-Fi Calling was a "no cost" feature inseparable from cellular service. This constitutes cognizable antitrust injury to VoIP-Pal's business and property, satisfying the third element of a Section 1 claim.
- 195.** The injury was not limited to Plaintiff. Consumers, too, were harmed: they were forced to pay for bundled services they did not use, prevented from purchasing Wi-Fi Calling independently, and denied the lower prices and innovation that free competition would have delivered. The Defendants' conduct thereby injured the competitive process itself, confirming the presence of systemic antitrust harm.
- 196.** Plaintiff VoIP-Pal thus pleads that Defendants' conduct constitutes a per se violation of Section 1 of the Sherman Act. In the alternative, if the Court declines to apply the per se rule, Plaintiff pleads that Defendants' conduct is unlawful under the rule of reason, based on substantial foreclosure of the VoWi-Fi market, suppression of competitive alternatives, and injury to consumers and innovators alike
- 197.** Sherman Act § 2 prohibits monopolization. Together, AT&T, Verizon, and T-Mobile control more than 97% of the mobile voice market. Their collective dominance was used to deny VoIP-Pal market access and preserve their own closed infrastructure systems. More particularly, section 2 of the Sherman Antitrust Act makes it unlawful for any person to "monopolize, or attempt to monopolize, or combine or conspire... to monopolize" any part of interstate commerce. To plead

a violation of Section 2, a plaintiff must allege: (1) the possession of monopoly power in the relevant market; (2) the willful acquisition, maintenance, or extension of that power through exclusionary or anticompetitive conduct, rather than through superior skill, product, or business acumen; and (3) antitrust injury resulting from the monopolistic conduct. A plaintiff may alternatively plead attempted monopolization by alleging specific intent, anticompetitive conduct, and a dangerous probability of achieving monopoly power.

198. Defendants AT&T, Verizon, and T-Mobile each possessed, and collectively as a RICO enterprise exercised, monopoly power in the relevant markets for mobile voice services and Wi-Fi Calling access. Together, Defendants controlled more than 97% of the mobile voice subscriber base in the United States during the relevant period. Their dominance over the mobile voice market gave them the ability to control output and pricing, and their contractual bundling practices extended that dominance into the adjacent VoWi-Fi services market—foreclosing competitive entry and consumer choice.
199. Defendants willfully and unlawfully maintained and extended their monopoly power as a RICO enterprise by engaging in exclusionary conduct: namely, tying access to Wi-Fi Calling to the purchase of bundled cellular voice and texting plans. Consumers could not obtain Wi-Fi Calling independently of a paid cellular subscription. This forced bundling scheme served no procompetitive purpose and was designed to foreclose emerging competition in standalone Wi-Fi Calling services.
200. The tying arrangement constituted exclusionary conduct because it prevented the development of a competitive VoWi-Fi market, suppressed potential rivals such as Plaintiff VoIP-Pal, and insulated Defendants from price competition. Had consumers been permitted to access Wi-Fi Calling independently, alternative providers could have offered cheaper, more innovative VoWi-

Fi services—driving down prices and expanding consumer choice. Instead, Defendants’ contractual barriers preserved their market dominance and thwarted new entry.

- 201.** The anticompetitive effect of Defendants’ conduct was substantial and direct. By mandating that every consumer desiring Wi-Fi Calling also purchase bundled cellular services, Defendants foreclosed virtually 100% of potential demand for standalone Wi-Fi Calling. No meaningful standalone VoWi-Fi market could arise while the dominant carriers tied access to the feature exclusively to bundled cellular offerings. This comprehensive foreclosure demonstrates both the maintenance of monopoly power and, independently, a dangerous probability of monopolizing the emerging VoWi-Fi market.
- 202.** No legitimate business justification can excuse Defendants’ tying conduct. Plaintiff VoIP-Pal’s patented DID-based routing system contributed to facilitating Wi-Fi calls to be classified, routed, and completed without the use of carrier-owned cellular tower infrastructure. There was no technical necessity to bundle Wi-Fi Calling with cellular services; the tying was a strategic, anticompetitive choice aimed at preserving Defendants’ control over all forms of mobile voice communication.
- 203.** As a direct and proximate result of Defendants’ monopolistic conduct, Plaintiff VoIP-Pal suffered substantial antitrust injury. VoIP-Pal was excluded from the Wi-Fi Calling market, denied the opportunity to license or deploy its DID-based routing system competitively, and saw its technology devalued by the Defendants’ representation of Wi-Fi Calling as a bundled, “no charge” feature inseparable from cellular service. This exclusionary conduct caused VoIP-Pal to lose licensing revenues, market entry opportunities, competitive standing, and enterprise value.
- 204.** Consumers also suffered antitrust injury as a result of Defendants’ monopolistic tying practices. They were deprived of standalone Wi-Fi Calling options, forced to purchase unnecessary bundled

services, and denied the benefits of lower prices and innovation that would have flowed from a competitive VoWi-Fi marketplace. These consumer harms further demonstrate injury to the competitive process itself, as required under Section 2.

- 205.** Plaintiff VoIP-Pal therefore pleads that Defendants' conduct constitutes both actual monopolization and, in the alternative, attempted monopolization of the Wi-Fi Calling services market. Defendants possessed overwhelming market power, engaged in deliberate exclusionary practices, and either maintained an unlawful monopoly or attempted to extend their dominance into adjacent markets, with a dangerous probability of success.
- 206.** Accordingly, Plaintiff VoIP-Pal seeks treble damages, injunctive relief, attorneys' fees, and all other relief available under 15 U.S.C. §§ 15 and 26. Plaintiff respectfully requests that the Court declare Defendants' tying of Wi-Fi Calling to cellular services an unlawful monopolization under Section 2 of the Sherman Act, dismantle the anticompetitive barriers erected by Defendants, and restore competitive conditions to the mobile voice and Wi-Fi Calling markets
- 207.** Clayton Act § 3 prohibits tying arrangements and exclusive dealing that substantially lessen competition. By conditioning Wi-Fi Calling on cellular subscription and refusing to unbundle the functionality, the Defendants eliminated price competition, foreclosed VoIP-Pal's deployment options, and inflated their monopoly control over voice traffic. These tying arrangements were further sustained through false advertising, deceptive billing, and the unauthorized deployment of VoIP-Pal's technology.
- 208.** Defendants AT&T, Verizon, and T-Mobile engaged in illegal tying and exclusive dealing arrangements in violation of Section 3 of the Clayton Act by making access to Wi-Fi Calling—a technologically distinct and competitive alternative to traditional cellular service—conditional upon the mandatory purchase of bundled cellular voice and texting plans. Consumers could not

access Wi-Fi Calling independently from Defendants' bundled offerings; no standalone Wi-Fi Calling product was made available. This contractual tying arrangement unlawfully conditioned the sale of one product (Wi-Fi Calling) on the purchase of another (cellular voice/text service), despite the technological ability to offer Wi-Fi Calling separately.

- 209.** The Defendants' tying arrangements substantially lessened competition and had a clear tendency to create and preserve monopoly power. By forcing every consumer seeking to access Wi-Fi Calling to simultaneously subscribe to cellular services—regardless of actual need or use—Defendants foreclosed the possibility of a competitive market for standalone Wi-Fi Calling offerings. This foreclosure was particularly harmful to innovative competitors like Plaintiff VoIP-Pal, whose DID-based call routing technology is utilized by VoWi-Fi service but who was denied any opportunity to license, market, or independently deploy its offering due to the structural barriers erected by the Defendants' exclusive practices.
- 210.** The tying arrangements were neither justified by technological necessity nor outweighed by any legitimate procompetitive benefits, and instead served only to preserve Defendants' dominance over voice communications and suppress competitive threats. By bundling the features and advertising Wi-Fi Calling as "included" or "no charge," Defendants further deceived consumers while simultaneously reinforcing the perception that alternative, cheaper, or standalone services were either unavailable or unnecessary. This strategy unlawfully insulated Defendants' bundled services from meaningful market competition and entrenched their control over the voice services ecosystem.
- 211.** As a direct and proximate result of the Defendants' unlawful tying and exclusive dealing conduct, Plaintiff VoIP-Pal has suffered substantial antitrust injury, including the loss of licensing opportunities, exclusion from the VoWi-Fi services market, and a devaluation of its technological

innovations. Consumers likewise suffered injury in the form of supracompetitive prices, forced purchases of bundled services, and reduced market innovation, all of which are harms the Clayton Act was enacted to prevent.

- 212.** Accordingly, Plaintiff VoIP-Pal seeks treble damages, permanent injunctive relief, and all other available remedies under 15 U.S.C. §§ 15 and 26, including a Court order dismantling the illegal tying arrangements, restoring competitive market conditions, and preventing further foreclosure of competition in the Wi-Fi Calling market.

2. RICO Predicate Act: Antitrust False Advertising of Wi-Fi Calling as “No Charge”

- 213.** The Defendants repeatedly marketed Wi-Fi Calling as “no charge,” even though it was only accessible through bundled plans. Defendants perpetuated a material misrepresentation and consumer fraud by repeatedly marketing Wi-Fi Calling as a “no charge” feature, when in fact access to Wi-Fi Calling was conditioned upon the mandatory purchase of bundled cellular voice and texting plans. This false representation deceived consumers into believing they were receiving a complimentary service, while in reality they were required to pay full cellular service rates to access it. By masking the true cost structure and concealing the existence of forced bundling, Defendants distorted consumer choice, suppressed demand for standalone Wi-Fi Calling alternatives, and reinforced their market dominance through deceptive commercial practices. This pattern of misrepresentation forms a central component of the fraudulent enterprise alleged herein. This deception utilized the underlying technological contribution of VoIP-Pal’s technology and concealed the true economic burden—denying VoIP-Pal the opportunity to compete by offering a cheaper, standalone VoWi-Fi alternative using the very system the Defendants had already deployed without license.

- 214.** VoIP-Pal’s patented DID-based routing technology is utilized by all Wi-Fi Calling systems. This technology is utilized to dynamically classify and route voice calls when using private Wi-Fi networks, which drastically reduces infrastructure costs. The Defendants utilized VoIP-Pal’s DID-based routing system in their IMS cores without license, using it as part of the technical backbone for Wi-Fi Calling. By doing so, Defendants created a service that relied on subscriber-funded Wi-Fi networks while continuing to market Wi-Fi Calling as a “no charge” feature—concealing both the real cost and the substantial infrastructure savings that should have been passed to consumers. VoIP-Pal’s DID-based routing system is used by Wi-Fi Calling system, and Defendants’ representation of Wi-Fi Calling as “included” or “free” fundamentally devalued the innovation, distorted the market, and enabled Defendants to unjustly profit from VoIP-Pal’s work.
- 215.** Section 1 of the Sherman Antitrust Act prohibits every “contract, combination... or conspiracy, in restraint of trade or commerce among the several States.” To plead a violation under Section 1, a plaintiff must allege (1) an agreement among two or more separate economic actors; (2) an unreasonable restraint of trade; and (3) resulting antitrust injury. A restraint is unreasonable if it either falls into a recognized per se category of antitrust violation or, alternatively, if it fails a rule of reason balancing of procompetitive versus anticompetitive effects.
- 216.** Here, Defendants AT&T, Verizon, and T-Mobile entered into an unlawful combination and concerted course of conduct to falsely advertise Wi-Fi Calling as “included” or “no charge,” despite the fact that consumers were required to purchase bundled cellular voice and texting plans to access the feature. This uniform false marketing was not an accident: it was a coordinated strategy to mislead consumers, conceal the true costs of Wi-Fi Calling access, and suppress the development of a competitive standalone VoWi-Fi market.
- 217.** The existence of an agreement among the Defendants is laid in the foundation of as a RICO

enterprise and is demonstrated by their parallel conduct across the market: each Defendant adopted nearly identical language in advertising Wi-Fi Calling, consistently promoted it as “included” or “at no additional cost,” and refused to offer the service on a standalone basis. This widespread uniformity, in both messaging and commercial terms, reflects a conscious commitment to a common unlawful scheme, sufficient to satisfy the agreement element of Section 1.

- 218.** The coordinated advertising campaign constituted an unreasonable restraint of trade because it deliberately concealed the economic value of Wi-Fi Calling, preventing consumers from recognizing its potential as a standalone alternative to traditional cellular voice services. By representing Wi-Fi Calling as “no charge,” Defendants deprived competitors—including Plaintiff VoIP-Pal, the developer of the DID-based routing system utilized by Wi-Fi Calling—of a fair opportunity to market, license, or offer competing VoWi-Fi products.
- 219.** This coordinated advertising campaign is properly analyzed under the per se rule because it was an inherently deceptive commercial restraint that suppressed price competition and eliminated truthful differentiation among offerings. Deceptive uniform misrepresentation of pricing terms by horizontal competitors is recognized as per se anticompetitive when it prevents the formation of a competitive market. Even if the Court elects to apply the rule of reason, the result is the same: the anticompetitive harm from the suppression of VoWi-Fi competition overwhelmingly outweighs any conceivable procompetitive justification.
- 220.** The Defendants’ coordinated advertising campaign restrained trade by distorting consumer perception and blocking market transparency. Had consumers understood that Wi-Fi Calling could operate independently of cellular services, demand would have shifted toward standalone, lower-cost alternatives—and innovators like VoIP-Pal would have had a viable pathway to

license and commercialize independent VoWi-Fi offerings. Instead, the Defendants’ coordinated “no charge” misrepresentations preserved their bundled monopolies and stifled competition before it could take root.

- 221.** No business justification excuses the Defendants’ conduct. The advertising of Wi-Fi Calling as “no charge” was not necessary to promote new technology, improve service quality, or benefit consumers. Rather, it served solely to protect Defendants’ dominance over mobile voice communications by locking consumers into bundled services and preventing the emergence of a standalone Wi-Fi Calling market—an outcome contrary to the Sherman Act’s core objectives of promoting competition and consumer welfare.
- 222.** As a direct and proximate result of the Defendants’ coordinated advertising campaign and the resulting restraint of trade, Plaintiff VoIP-Pal has suffered antitrust injury. VoIP-Pal’s patented DID-based routing technology contributed to the Wi-Fi Calling functionality that Defendants misrepresented as being “free” or “no charge,” yet VoIP-Pal was denied the opportunity to license its innovations, develop an alternative offering, or realize the economic value of its technology. Consumers likewise suffered antitrust injury by being denied lower-cost, transparent, and competitive VoWi-Fi alternatives.
- 223.** Accordingly, Plaintiff VoIP-Pal pleads that the Defendants’ coordinated false advertising scheme constitutes a per se violation of Section 1 of the Sherman Act. In the alternative, if analyzed under the rule of reason, the Defendants’ conduct is unlawful because it inflicted substantial anticompetitive harm without offsetting procompetitive benefits, thereby restraining trade in the mobile voice and VoWi-Fi markets.
- 224.** Section 2 of the Sherman Act prohibits any entity from monopolizing, attempting to monopolize, or conspiring to monopolize any part of interstate commerce. To plead a violation under Section

2, a plaintiff must allege (1) the defendant's possession of monopoly power in the relevant market; (2) the willful acquisition, maintenance, or extension of that power through exclusionary or anticompetitive conduct; and (3) resulting antitrust injury. Alternatively, to plead attempted monopolization, the plaintiff must allege specific intent to monopolize, anticompetitive conduct, and a dangerous probability of success.

- 225.** Defendants AT&T, Verizon, and T-Mobile each possessed, and collectively as a RICO enterprise exercised, monopoly power in the mobile voice services and Wi-Fi Calling access markets. Together, they controlled over 97% of the U.S. mobile voice market during the relevant period, giving them the ability to control pricing, output, and innovation in these essential communications markets. Their control was not static; it was unlawfully extended into the emergent Wi-Fi Calling market through exclusionary and deceptive conduct.
- 226.** Defendants willfully maintained and extended their monopoly power through a deliberate advertising campaign representing Wi-Fi Calling as “no charge” or “included,” despite the reality that access to the service was conditioned on the mandatory purchase of bundled cellular voice plans. This false messaging was uniform across all Defendants, strategically designed to mislead consumers about the availability, cost, and standalone viability of Wi-Fi Calling, and to block the emergence of standalone VoWi-Fi competitors such as Plaintiff VoIP-Pal.
- 227.** The advertising campaign constituted exclusionary and anticompetitive conduct because it suppressed consumer demand for standalone Wi-Fi Calling offerings and prevented competitors from entering the market. By falsely creating the perception that Wi-Fi Calling was simply an “add-on” to cellular service without independent value or cost, Defendants foreclosed potential standalone offerings, denied truthful market differentiation, and preserved their control over all forms of mobile voice communication.

- 228.** This exclusionary conduct directly harmed competition. Without truthful pricing information and market transparency, consumers could not appreciate the value of standalone Wi-Fi Calling services. As a result, innovators like VoIP-Pal—whose DID-based routing technology is utilized by Wi-Fi Calling—were structurally excluded from the market. The false advertising thus served as a barrier to entry, reinforcing Defendants’ monopolistic control and stifling technological innovation.
- 229.** No procompetitive justification exists for the Defendants’ coordinated advertising campaign. Misleading consumers about product availability and pricing serves no efficiency-enhancing purpose. Rather, Defendants’ conduct aimed solely to protect their existing market power by impeding the development of a competitive VoWi-Fi services market that would have reduced prices, expanded consumer choice, and accelerated innovation.
- 230.** The anticompetitive effect of Defendants’ coordinated advertising campaign was substantial. It preserved their monopoly over mobile voice communications, extended that monopoly into Wi-Fi Calling services, and blocked any viable competitive alternatives from emerging. The coordinated misrepresentation of Wi-Fi Calling as “no charge” foreclosed independent competition at both the consumer and licensing levels, depriving innovators and consumers alike of the benefits of a competitive market structure.
- 231.** Plaintiff VoIP-Pal suffered direct and proximate antitrust injury as a result of Defendants’ monopolistic conduct. VoIP-Pal’s patented DID-based routing technology, which is utilized by Wi-Fi Calling systems, was rendered commercially nonviable because Defendants’ false advertising created a marketplace perception that Wi-Fi Calling was inseparable from bundled cellular service. VoIP-Pal lost licensing opportunities, revenue streams, market entry potential, and enterprise valuation due to Defendants’ exclusionary conduct.

232. Consumers were likewise injured by Defendants’ monopolistic scheme. They were deceived about the nature and cost of Wi-Fi Calling, forced into unnecessary bundled purchases, and denied the competitive price reductions and service innovations that would have resulted from an open VoWi-Fi market. These harms reflect systemic injury to the competitive process, satisfying the antitrust injury element of a Section 2 claim.

D. RICO Predicate Acts: Forced Tying and False Advertising Laying the Foundation for Violation of the 1996 Telecommunications Act § 251(c)(3)

233. The Defendants’ pattern of racketeering activity, as defined under 18 U.S.C. § 1961(1), consists of multiple acts of commercial fraud and market exclusion. These acts constitute not only wire and mail fraud under 18 U.S.C. §§ 1341 and 1343 but also critical violations of antitrust law under the 1996 Telecommunications Act, which mandates that incumbent carriers provide competitors with unbundled, nondiscriminatory access to network elements. This includes essential VoWi-Fi technology like VoIP-Pal’s DID-based routing system, which the Defendants utilized in their IMS networks without license.
234. Despite relying on this infrastructure to reduce their own operating costs and scale their Wi-Fi Calling deployment, the Defendants refused to license or unbundle access to VoIP-Pal. This directly prevented VoIP-Pal from offering its own VoWi-Fi service, thereby violating Section 251(c)(3). The refusal to unbundle had no technical justification—only a commercial one: to block competition and preserve vertical control over voice routing.

1. The Modern Baby Bells And Their Rico Enterprise

235. The Defendants’ Enterprise Would Have Been Illegal in 1984—and Is More Egregious Today. This Complaint exposes a structural scheme in a pattern of racketeering activity and antitrust

monopolization that would have been unlawful under the Ma Bell antitrust precedent—and is even more flagrant today because it is coordinated across three entities acting in lockstep as a RICO enterprise.

- 236.** In 1984, the federal courts dismantled the AT&T monopoly because a single corporation controlled the entire U.S. telephone system—from switching infrastructure to end-user billing. Today, AT&T, Verizon, and T-Mobile operate as separate corporate entities—but they have merged their behavior into a coordinated enterprise associated in fact. Together, they have monopolized the market for Wi-Fi Calling by bundling it with cellular voice and texting services, falsely marketing it as “no charge,” and utilizing VoIP-Pal’s the DID-based routing system without licensing. In doing so, the Defendants have not only excluded VoIP-Pal from commercializing its own innovation, but the Defendants have also devalued the very technology essential to Wi-Fi Calling systems.
- 237.** History is repeating itself, yet unlike the past Ma Bell scenario, the Defendants’ enterprise of today is even more dangerous: it is decentralized, harder to detect, and executed through coordinated fraud across corporate silos. It is precisely the kind of racketeering that Congress intended to remedy under 18 U.S.C. § 1962(c) of the RICO statute.

2. Section 251 Was Designed to Prevent This Very Scheme

- 238.** Congress enacted Section 251 of the Telecommunications Act of 1996 to prevent entrenched carriers from using their control of network infrastructure to exclude emerging technologies and competitors. The statute mandates that incumbent carriers must provide nondiscriminatory access to “network elements on an unbundled basis.” specifically 47 U.S.C. § 153(29) (formerly § 153(27)), defines a “network element” as:
- “a facility or equipment used in the provision of a telecommunications service. Such term also

includes **features, functions, and capabilities** that are provided by means of such facility or equipment, including subscriber numbers, databases, signaling systems, and **information** sufficient for billing and collection or **used in** the transmission, **routing**, or other provision of a telecommunications service.”

239. The DID-based routing system developed by VoIP-Pal was utilized by AT&T, Verizon, and T-Mobile in their IMS networks, forming part of the technical basis for offloading billions of Wi-Fi calls. Yet VoIP-Pal was denied access, licensing, or a fair chance to compete—despite having developed technology utilized by the Defendants.
240. The Defendants’ refusal to unbundle Wi-Fi Calling, while simultaneously using VoIP-Pal’s technology, constitutes a direct violation of § 251(c)(3). Any argument that the statute does not apply to the Defendants as wireless carriers or because Wi-Fi Calling did not exist in 1996 is flatly contradicted by precedent, including *Verizon v. FCC*, 535 U.S. 467 (2002), where the Supreme Court confirmed that Section 251 applies to new technologies fulfilling equivalent telecommunications functions.

3. RICO Applies Today Because Three Defendant Companies Acted as One Enterprise

241. Section 251(c) of the Telecommunications Act of 1996 imposes affirmative duties on incumbent carriers and dominant mobile providers to provide interconnection and access to essential network elements on just, reasonable, and nondiscriminatory terms. These obligations include the duty to offer access to network elements on an unbundled basis, and to refrain from impairing the ability of competitors to provide standalone telecommunications services.
242. This case presents a novel legal question regarding §251(c)(3)’s applicability to Mobile Network Operators (MNOs) in the context of both non-discriminatory access to telecommunications

infrastructure and technology licensing. The 1996 Telecommunications Act was written to break open bottlenecks in “local” voice markets, but the statute should be interpreted in a technology neutral manner so as not to freeze the definition of such bottlenecks in mid 1990s copper. Section 251(c)(3) obliges any “incumbent local exchange carrier” (ILEC) to give rival telecommunications carriers nondiscriminatory, unbundled access to essential facilities “at any technically feasible point.” That mandate should be applied to the three nationwide mobile network operators (MNOs) for Wi-Fi Calling. MNOs function as de facto ILECs for Wi-Fi calling. Just as ILECs historically controlled the “local loop” for landline telecommunications, MNOs now control essential network elements required for Wi-Fi Calling. The three largest MNOs collectively control well over 90% of the U.S. wireless market, creating an oligopoly paralleling historical ILEC dominance, while serving as the primary voice providers for over 65% of American households. Under the Telecommunications Act, ILECs were required to provide unbundled access to network elements because they controlled bottleneck facilities competitors could not economically duplicate. Similarly, MNOs control bottleneck facilities for Wi-Fi Calling in their core networks (e.g., ePDG interfaces, IMS access points, PSTN interconnection), creating the same conditions §251(c)(3) was designed to address. Accordingly, given that the fundamental goal of the 1996 Act was to foster competition in the provision of telecommunications services, irrespective of the underlying technology, including unbundling where necessary to overcome bottlenecks, failing to now apply § 251(c)(3) to MNOs controlling essential VoWi-Fi infrastructure would allow a recurrence of the very problem the Act sought to solve – dominant carriers leveraging control over bottleneck facilities to stifle competition, albeit using newer IP and wireless technologies instead of copper wires.

243. Defendants AT&T, Verizon, and T-Mobile, by virtue of their control over the national mobile

voice and data communications infrastructure, owed enforceable duties under Section 251(c) to provide unbundled, nondiscriminatory access to essential network functionalities, including those enabling Wi-Fi Calling services. They were required to facilitate competition by allowing rivals to interconnect and deploy innovative services like standalone VoWi-Fi calling without unnecessary bundling or discriminatory barriers.

- 244.** Instead, Defendants willfully breached their Section 251(c) obligations by conditioning access to Wi-Fi Calling functionalities on the mandatory purchase of bundled cellular voice and texting services. They refused to unbundle Wi-Fi Calling from cellular service, despite the technological feasibility of offering Wi-Fi Calling independently. This conduct violated Defendants' statutory duty to provide unbundled network access and prevent competitive impairment.
- 245.** Compounding this violation, Defendants engaged in a coordinated false advertising scheme by uniformly marketing Wi-Fi Calling as "no charge" or "included," when in reality it was only accessible to consumers who purchased bundled cellular plans. This false and deceptive messaging concealed the true cost of Wi-Fi Calling from consumers, suppressed market demand for standalone services, and prevented potential competitors like VoIP-Pal from gaining a commercial foothold.
- 246.** The unlawful tying of Wi-Fi Calling access to cellular services, coupled with the false advertising campaign, formed part of a larger, coordinated pattern of racketeering activity. Defendants used interstate wires and mail systems to disseminate false advertising, contractually enforce bundling requirements, and perpetuate the concealment of standalone VoWi-Fi service options. This conduct constitutes predicate acts of wire fraud and mail fraud within the meaning of 18 U.S.C. §§ 1341 and 1343.
- 247.** The pattern of racketeering activity aimed to preserve and extend Defendants' monopoly power

over mobile voice communications by unlawfully excluding competition in the emergent Wi-Fi Calling market. By leveraging false advertising and illegal tying to prevent market transparency and to lock consumers into bundled services, Defendants maintained dominance not through superior products or efficiency, but through fraud and abuse of regulatory duties.

- 248.** No legitimate technical, network management, or consumer protection rationale justified Defendants' discriminatory refusal to unbundle Wi-Fi Calling functionalities. The Defendants' actions were designed solely to protect existing revenue streams and monopolistic control.
- 249.** As a direct and proximate result of Defendants' violations of Section 251(c) and their associated pattern of racketeering, Plaintiff VoIP-Pal suffered severe commercial harm. VoIP-Pal was excluded from the VoWi-Fi market, lost licensing revenue, saw the competitive value of its innovations suppressed, and suffered devaluation of its enterprise. This injury flows directly from Defendants' exclusionary and fraudulent conduct.
- 250.** Consumers were likewise harmed by being misled about the availability and cost of Wi-Fi Calling, forced into purchasing bundled services they did not need, and deprived of competitive, lower-cost VoWi-Fi alternatives. These consumer injuries reflect systemic anticompetitive harm of the very type the Telecommunications Act and RICO were intended to prevent.
- 251.** Plaintiff VoIP-Pal accordingly seeks all appropriate legal and equitable remedies, including treble damages, injunctive relief, and attorneys' fees under applicable provisions of the Telecommunications Act, the Sherman Act, and the Racketeer Influenced and Corrupt Organizations Act (18 U.S.C. §§ 1962(c) and 1964). Plaintiff respectfully requests that the Court find Defendants in violation of Section 251(c), recognize that such violations form part of an actionable pattern of racketeering activity, and order relief sufficient to dismantle the unlawful barriers to competition erected by Defendants' coordinated scheme.

4. Why This Prevented VoIP-Pal from Competing

- 252.** VoIP-Pal did not merely invent a routing technology used for Wi-Fi Calling. It also developed a scalable VoWi-Fi service model—one that could offer consumers a cheaper, more transparent, and more efficient alternative to traditional cellular calling. But VoIP-Pal was prevented from entering the market because the Defendants collectively controlled 97% of the mobile subscriber base. They offered no pathway for VoIP-Pal to license its own invention. They denied access to the networks that utilized VoIP-Pal’s technology. And they destroyed VoIP-Pal’s market opportunity by falsely branding the Wi-Fi Calling service as “included” or “free.”
- 253.** This conduct does not merely constitute interference with VoIP-Pal’s licensing ability—it constitutes a structural foreclosure of an entire market. The message to VoIP-Pal was clear: you cannot compete in a market we’ve locked down through a fraudulent enterprise.

5. Why the “No Charge” Claim Devalues the Technology Itself

- 254.** In addition to being excluded, VoIP-Pal’s technology has been devalued by the Defendants’
- 255.** coordinated advertising campaign. By claiming that Wi-Fi Calling is “no charge,” the Defendants have stripped the perceived value from VoIP-Pal’s DID-based routing system. But Wi-Fi Calling is not free. Subscribers may not be fully aware they fund Wi-Fi Calling with their plan charges and their own broadband charges. Carriers incur a tangible cost to route Wi-Fi calls, which are substantially less than cellular calls, and which could be billed to subscribers but are not as the Defendants misleadingly require cellular calling to access Wi-Fi Calling. In effect, subscribers are charged for calls that never touch a carrier tower.
- 256.** What is worse, the “no charge” narrative makes VoIP-Pal’s innovation appear worthless—despite the fact that it contributes to the very offloading architecture that saved the Defendants \$209.47

billion in infrastructure costs over six years. This strategic devaluation of VoIP-Pal's innovation is not just anticompetitive—it is deeply fraudulent. The Defendants profited from the use of VoIP-Pal's DID-based routing system while branding the service as valueless. That alone warrants treble damages under RICO and permanent injunctive relief under the Sherman, Clayton, and Telecommunications Acts.

E. Legal Foundation: Three Cases That Prove Defendants Engaged in Structural Fraud, Market Harm, And Competitive Exclusion

257. This case does not arise from technical patent infringement or incidental billing mistakes—it arises from structural fraud intentionally built into the core of the wireless voice market. A single system, deployed without license, enabled three dominant carriers—AT&T, Verizon, and T-Mobile—to:

- Systematically exclude VoIP-Pal, an innovator whose technology is utilized in the Defendants' fraudulent scheme surrounding Wi-Fi Calling,
- Illegally tie Wi-Fi Calling to cellular voice and texting plans, and
- Deceive hundreds of millions of subscribers while simultaneously preventing VoIP-Pal from offering, licensing, or monetizing its own Wi-Fi Calling platform.

258. The following landmark cases clarify exactly what is meant by “structural fraud,” confirm the appropriateness of this federal Court forum over patent-specific litigation, and underscore why the RICO statute provides the proper legal foundation for the other antitrust claims in this action.

1. Microsoft Corp. v. Netscape (U.S. v. Microsoft, 253 F.3d 34 (D.C. Cir. 2001))

259. Violation: Sherman Act § 1 – Unlawful tying and market foreclosure.

260. Court's Holding: Microsoft violated antitrust laws by bundling Internet Explorer with its

Windows operating system, effectively excluding Netscape from the browser market. The Court clarified that companies may not use one product to compel the purchase of another, especially when the arrangement substantially harms competition.

- 261. Application to the Case:** Here, AT&T, Verizon, and T-Mobile adopted the identical tactic: they bundled Wi-Fi Calling with cellular voice and texting plans, intentionally refused to offer standalone Wi-Fi Calling, and thereby prevented VoIP-Pal from offering its own VoWi-Fi services. This forced bundling is precisely the type of structural antitrust violation identified in Microsoft—an intentional strategy designed to eliminate consumer choice and exclude VoIP-Pal’s lawful entry.

2. Eastman Kodak Co. v. Image Tech. Servs. (504 U.S. 451 (1992))

- 262. Violation:** Sherman Act § 2 – Infrastructure control used to eliminate competition.
- 263. Court’s Holding:** Kodak unlawfully leveraged its monopoly over proprietary replacement parts to exclude independent service providers from competing in the servicing market. The Supreme Court held that companies may not exploit control over essential infrastructure—even if originally created by the defendant—to unlawfully foreclose market entry.
- 264. Application to the Case:** The Defendants used VoIP-Pal’s DID-based routing system, technology essential to Wi-Fi Calling, and refused to license it, and through its deployment anticompetitively denied VoIP-Pal all access to the market. This case involves the Defendants leveraging appropriated control of VoIP-Pal’s technology to block VoIP-Pal from competing. As with Kodak’s unlawful conduct, this was a deliberate act of structural exclusion.

3. Caribbean Broadcasting v. Cable & Wireless (148 F.3d 1080 (D.C. Cir. 1999))

- 265. Violation:** Telecommunications Act § 251(c)(3) – Refusal to provide unbundled access to

essential network infrastructure.

- 266. Court’s Holding:** The Court ruled that a telecommunications provider violated federal law by refusing to share essential routing infrastructure, particularly when such refusal effectively prevented competitors from entering the market. This conduct constituted a clear breach of the legal duty to provide unbundled interconnection.
- 267. Application to the Case:** AT&T, Verizon, and T-Mobile did precisely what the Court in Caribbean Broadcasting deemed unlawful. The Defendants utilized VoIP-Pal’s patented DID-based routing system in their IMS cores without license, refused to unbundle or provide licensing access, and structurally foreclosed VoIP-Pal’s competitive entry into the Wi-Fi Calling market. Congress enacted Section 251 of the Telecommunications Act to prevent this very type of conduct.
- 268.** “Structural fraud” is not about technical oversights or billing errors. It refers to a fraud that is embedded in the core of a business model. It means VoIP-Pal was intentionally and systematically excluded from the VoWi-Fi market. The technology VoIP-Pal developed was used, without license, in the Wi-Fi Calling systems of the Defendants. At the same time, consumers were tied to cellular calling plans and overbilled for a service that did not use cellular towers while being denied access to unbundled, cheaper alternatives.
- 269.** And every aspect of the Defendants’ business—from pricing to advertising to technical infrastructure—was designed to suppress competition and conceal the truth. This is not occasional misconduct. It is enterprise-wide exclusion, embedded in contracts, networks, and strategy.

F. Real-World Harm to Subscribers: Economic Injury to Millions of Consumers

- 270.** The Defendants’ conduct was not merely a technical routing scheme or a legal oversight—it caused real, tangible financial harm to millions of subscribers, month after month, bill after bill.

This deceptive billing practice directly impacted millions of individuals, families, seniors, and working-class households nationwide. Far from an obscure technical detail, this deceptive practice appeared clearly on subscribers’ monthly statements—misrepresented to consumers as a “no charge” or “included” feature, while embedding full-priced cellular charges.

271. Illustrative examples of the direct economic injury to subscribers include:

- A senior citizen residing in a nursing home, who relies exclusively on Wi-Fi Calling, yet is billed approximately \$45 per month for cellular voice services that are neither utilized nor necessary.
- A working mother residing in a rural community, who depends on Wi-Fi Calling due to limited cellular service availability, yet is compelled to pay for a cellular voice and texting bundle that is neither necessary nor requested.
- A low-income family of four, burdened with monthly payments totaling approximately \$180 for mandatory bundled services, even though an unbundled and competitively priced standalone VoWi-Fi alternative could have been provided for as little as \$20 per month.

272. Consumers affected by these practices were never provided meaningful choices. Instead, they faced compulsory bundled service packages, deceptively advertised as “free” Wi-Fi Calling services, which concealed hidden fees and unnecessary cellular charges.

273. This widespread consumer injury constitutes precisely the type of market foreclosure, deceptive trade practice, and enterprise-level misconduct that federal antitrust, telecommunications, and RICO statutes were enacted to prevent. Nonetheless, for six years, the Defendants’ unlawful conduct proceeded unchecked, resulting in substantial economic injury to millions of consumers nationwide.

G. VoIP-Pal's Equitable Lien on Subscriber Revenues from Unauthorized DID-Based Routing

1. Introduction: The Independent Legal Basis of the Equitable Lien

- 274.** This case addresses not only statutory liability, but also a separate and independent form of legal responsibility grounded in federal equitable law—specifically, the law of restitution for unjust enrichment. While VoIP-Pal asserts statutory claims under the Sherman Act, Clayton Act, Telecommunications Act § 251, and the RICO statute, it also asserts that equity itself provides a distinct path to recovery for the wrongful conduct of the Defendants. That path is the equitable lien.
- 275.** Equitable liens are part of a broader body of American legal doctrine known as equity—a legal tradition that dates back centuries and exists alongside statutory and common law. Unlike statutes, which are passed by legislatures, equity is applied by courts to ensure fairness, restitution, and the prevention of unjust enrichment where no adequate remedy exists under traditional legal frameworks. The equitable lien is one of the most powerful remedies in this tradition. It does not depend on a written contract, a statutory violation, or proof of fraud. Instead, a court may impose an equitable lien when:
- One party (the plaintiff) contributed something of measurable value,
 - Another party (the defendant) benefited unjustly from it, and
 - The benefit is traceable and quantifiable.
- 276.** This is the exact situation presented in VoIP-Pal's case. The Defendants, in their Wi-Fi Calling deployments, utilized VoIP-Pal's DID-based routing system in the delivery of Wi-Fi Calling to 373 million subscribers. They did so without license or payment. As a result, they retained at least

\$209.47 billion in offloading savings and subscriber-derived revenue. That benefit is specific, measurable, and directly tied to VoIP-Pal’s unlicensed technology.

277. Under Restatement (Third) of Restitution and Unjust Enrichment § 56, a lien may be imposed over identifiable proceeds of unjust enrichment where those proceeds are traceable to the plaintiff’s contribution. As Comment (b) to that section explains:

“The proceeds of unjust enrichment must be clearly traceable to the plaintiff’s asset.”

278. This principle was affirmed by the U.S. Supreme Court in *Sereboff v. Mid Atlantic Medical Services, Inc.*, 547 U.S. 356 (2006), which held that a plaintiff may enforce an equitable lien when seeking recovery of specific, identifiable benefits unjustly retained by a defendant—even without prior legal ownership—so long as the gain is clearly connected to the plaintiff’s contribution. Accordingly, VoIP-Pal asserts that regardless of how the statutory claims are resolved, the Court retains the full authority to impose an equitable lien under federal law. This lien can be granted independently, as a standalone remedy for unjust enrichment, or in addition to any statutory relief, where the underlying conduct gives rise to both statutory and equitable liability.

279. This is not a fallback claim. It is a parallel legal theory—a second legal track—that arises from the Defendants’ failure to compensate VoIP-Pal for the direct and traceable use of its DID-based routing system. In equity, the law demands one simple result: No one should profit from another’s property without returning what is owed.

2. VoIP-Pal Litigation History With The Defendants

280. In 2016, VoIP-Pal filed a complaint against AT&T Inc., Verizon Communications Inc., and T-Mobile USA, Inc. The complaint at the time focused on the infringement of certain claims of U.S. Patent Nos. 8,542,815 and 9,179,005, which also include claims that cover VoIP-Pal’s DID-based routing and classification technology. Rather than acknowledge their use of VoIP-Pal’s

innovations, the Defendants chose to litigate under 35 U.S.C. § 101, asserting that the patents were “abstract” under the Alice framework. At the same time, the Defendants were actively utilizing VoIP-Pal’s DID-based routing system as an essential technical component of their Wi-Fi Calling services. Irrespective of what occurred in this litigation, the claims related to VoIP-Pal’s DID-based routing and classification system in U.S. Patent Nos. 8,542,815 and 9,179,005 were never adjudicated or invalidated in the court nor in any other proceeding before the Patent Office. They remain presumptively valid under U.S. law, and their unauthorized utilization is now at the heart of this structural antitrust, RICO, and telecommunications complaint.

- 281.** The central breach in this pleading is the forced tying of Wi-Fi Calling to paid cellular voice and texting services, which the Defendants deceptively marketed as “no charge.” This tying scheme utilizes VoIP-Pal’s DID-based routing system directly in their networks, without compensation. As a result, VoIP-Pal’s system became an essential component of nationwide Wi-Fi Calling, processing billions of calls, unbundled access, or lawful licensing. Because this technology was unlawfully deployed, and because it is utilized in a system in which traffic is offloaded from cellular towers to Wi-Fi networks, the Defendants reaped an estimated \$209.47 billion in infrastructure offloading savings between 2018 and 2024. These savings, and the revenue tied to them, were generated in the unauthorized, uncompensated use of VoIP-Pal’s DID-based routing system.
- 282.** This is precisely the type of situation contemplated by federal equitable doctrine, which allows for restitution through a lien where “the proceeds of unjust enrichment are clearly traceable to the plaintiff’s asset” (Restatement § 56, comment b).

3. Clarifying the Legal Standard for the Equitable Lien

- 283.** What does Restatement § 56, comment b actually mean? Restatement § 56 is part of the

Restatement (Third) of Restitution and Unjust Enrichment, which is a legal treatise published by the American Law Institute. It summarizes and clarifies how U.S. courts apply restitution and equity when a party has been unjustly enriched. Section 56 specifically deals with the remedy of an equitable lien, which allows a court to place a legal claim over specific property or funds that were wrongfully acquired and are traceable to the plaintiff's original contribution.

284. Comment (b) under § 56 explains a key condition:

“The proceeds of unjust enrichment must be clearly traceable to the plaintiff's asset.”

285. What does this mean in plain terms? If someone (the defendant) takes or uses something of value that belongs to someone else (the plaintiff), and the benefit they gained is specific, measurable, and traceable back to what they took, then the plaintiff can ask the court for an equitable lien on those proceeds. It does not matter if there was no contract, no agreement, or even no fraud. What matters is that the benefit is unjust, and the profit or gain is directly traceable to the plaintiff's contribution.

4. How does this apply to VoIP-Pal?

286. VoIP-Pal alleges that the Defendants knowingly utilized its proprietary Direct Inward Dialing (DID)-based routing system as an essential component in their nationwide Wi-Fi Calling infrastructure. This routing system plays a central role in how Wi-Fi calls are processed and delivered. Specifically, the technology relates to the classification of calls as on-net or off-net and the location of on-net destinations using DID records, and is essential for the Defendants' offloading of traffic to Wi-Fi networks without relying on traditional cellular towers.

287. Through this adoption, the Defendants avoided enormous capital expenditures that would otherwise have been necessary to handle voice traffic over traditional mobile infrastructure. By offloading calls to Wi-Fi networks which utilizes VoIP-Pal's DID-based routing system, the

Defendants offloaded substantial traffic volumes, thereby reducing their dependency on cellular tower networks and backhaul infrastructure. VoIP-Pal estimates that this strategic redirection of traffic resulted in approximately \$209.47 billion in avoided infrastructure costs. These savings, combined with subscriber revenues generated through access to Wi-Fi Calling features, represent a direct financial benefit that the Defendants obtained through the unauthorized use of VoIP-Pal's technology.

- 288.** Critically, VoIP-Pal asserts that these financial benefits—both the cost savings and the corresponding subscriber revenues—are measurable and traceable to the use of its DID-based routing technology. The technological link between VoIP-Pal's innovation and the delivery of Wi-Fi Calling services is neither abstract nor attenuated. Instead, it is concrete and structural. The routing logic provided by VoIP-Pal's patented system is an essential component of the Defendants' ability to offload voice traffic. The company contends that the financial proceeds derived from this system can be quantified with precision and are directly attributable to VoIP-Pal's proprietary contributions.
- 289.** Despite the foundational role of its technology in the Defendants' operations, VoIP-Pal was never licensed, compensated, or otherwise given the opportunity to use its intellectual property in the VoWi-Fi market. There was no negotiated agreement, no royalty arrangement, and no attempt by the Defendants to secure authorization for the commercial deployment of the DID-based routing system. The Defendants' conduct therefore amounts to a clear instance of unjust enrichment—where value was taken without permission and retained without compensation. VoIP-Pal's position is that the carriers not only benefitted from its innovation, but did so knowingly, systematically, and without compensating the rightful owner.
- 290.** Accordingly, under Restatement (Third) of Restitution and Unjust Enrichment § 56, and

particularly comment (b), VoIP-Pal is entitled to the imposition of an equitable lien on the revenues and infrastructure savings resulting from the Defendants' use of its system. Comment (b) specifically provides that where a defendant's unjust enrichment is traceable to another's contribution—especially in the absence of a licensing agreement—a lien may be imposed to preserve the value of that contribution for restitution. VoIP-Pal's claim satisfies this standard. The Defendants received a tangible and traceable benefit by deploying a routing system that originated with VoIP-Pal. In the absence of compensation, equity demands that the proceeds from that benefit be preserved for return to their rightful source.

291. Furthermore, U.S. courts have affirmed that an equitable lien may be imposed even in the absence of a formal contract, if the defendant's enrichment arose from the exploitation of the plaintiff's proprietary contribution. See *Sereboff v. Mid Atlantic Medical Services*, 547 U.S. 356 (2006):
“An equitable lien is imposed not merely as a matter of contract, but to prevent unjust enrichment where identifiable proceeds exist and belong in equity to the plaintiff.”
292. VoIP-Pal's case satisfies this requirement as its DID-based routing system it developed was utilized in Wi-Fi Calling by the Defendants to route Wi-Fi Calling traffic, reduce network costs, and retain billions in subscriber revenues—all while denying VoIP-Pal any license or fee.

5. Equitable Lien and Constructive Trust Allegations

293. Plaintiff VoIP-Pal seeks the imposition of an equitable lien or constructive trust over the systems, platforms, and profits of Defendants AT&T, Verizon, and T-Mobile arising from the unauthorized use of its proprietary Dialing Identifier (DID)-based call routing technology. The Defendants' enterprise infrastructure includes the use of VoIP-Pal's DID-based routing technology. Their call routing system, including “Wi-Fi Calling” applications and STIR/SHAKEN compliance layers, which are utilized in conjunction with VoIP-Pal's routing

functionality. The profits, subscriber revenue, and valuation gains resulting from the unauthorized deployment of VoIP-Pal's DID-based routing technology. This relief is sought pursuant to federal equitable doctrines, including but not limited to the Restatement (Third) of Restitution and Unjust Enrichment § 56, the Racketeer Influenced and Corrupt Organizations Act (18 U.S.C. § 1964(a)), and applicable case law, including *Sereboff v. Mid Atlantic Medical Services, Inc.*, 547 U.S. 356 (2006).

- 294.** The Defendants' implementation of STIR/SHAKEN protocols further confirms their reliance on the IMS-based routing infrastructure that incorporates VoIP-Pal's patented DID-based call classification and routing logic. STIR (Secure Telephone Identity Revisited) and SHAKEN (Signature-based Handling of Asserted information using toKENs) are authentication frameworks mandated by the Federal Communications Commission (FCC) to combat caller ID spoofing and robocalls. These protocols operate exclusively within IP-based voice services that use SIP (Session Initiation Protocol) signaling, such as VoLTE and Wi-Fi Calling (VoWiFi).
- 295.** STIR/SHAKEN does not function as a standalone module. It is embedded within the call setup process in the IP Multimedia Subsystem (IMS) core, which serves as the technical foundation for all VoWiFi services offered by AT&T, Verizon, and T-Mobile. These authentication protocols rely on SIP header fields populated during call origination and classification. The logic that determines the identity of the caller, the domain of the callee, and the nature of the call (e.g., on-net versus off-net) must occur prior to STIR/SHAKEN token generation and attestation. As a result, the protocols operate downstream of, and are dependent on, the DID-based call routing system that VoIP-Pal developed and patented.
- 296.** Each Defendant is required under FCC regulations to implement STIR/SHAKEN in its IMS network. In practice, this means that every VoWiFi or VoLTE call originating on their network

involves a SIP-based authentication process layered atop the same classification logic that VoIP-Pal's technology automates: identifying the callee, determining whether the call is private (on-net) or public (off-net), and producing routing instructions accordingly. Because these operations are governed by the same SIP signaling layers described in VoIP-Pal's patent claims—particularly those involving HSS/UDR lookups, S-CSCF decision-making, and private network routing messages—the Defendants' use of STIR/SHAKEN further implicates the unauthorized use of VoIP-Pal's call control architecture.

- 297.** Moreover, STIR/SHAKEN integration reinforces the traceability of the economic benefits that the Defendants have derived from VoIP-Pal's system. These authentication protocols are required for all verified call origination and directly affect subscriber trust, call deliverability, and regulatory compliance. The Defendants have thus embedded VoIP-Pal's patented routing technology not only into the delivery of Wi-Fi Calling services, but into the very mechanism by which they satisfy federal law and maintain their public service obligations. This structural entanglement underscores the indispensable role of VoIP-Pal's innovation in enabling compliant, revenue-generating services.
- 298.** This conduct amplifies the Defendants' unjust enrichment and supports the imposition of an equitable lien. The authentication of calls under STIR/SHAKEN relies on data derived from infrastructure that traces directly to VoIP-Pal's proprietary system. Accordingly, the value realized from compliant VoWiFi and VoLTE operations—including subscriber revenue, infrastructure savings, and regulatory protections—is both identifiable and traceable under *Restatement (Third) of Restitution and Unjust Enrichment* § 56.
- 299.** The Defendants utilized VoIP-Pal's DID-based routing system in their Wi-Fi Calling infrastructure—including call classification, DID record lookup, and network-level routing—

without license or compensation. The Defendants utilized VoIP-Pal's claims (for example Claims 14, 41, 61, 81 and 100 of the '815 Patent and Claims 8, 33, 57, 86 and 90 of the '005 Patent). These systems form part of Defendants' IMS cores, VoWiFi modules, and call management applications. The technological integration enabled Defendants to offload voice traffic from cellular towers to consumer-funded Wi-Fi networks, yielding infrastructure cost savings and inflated market valuations. As a result, VoIP-Pal was excluded from the VoWi-Fi market and denied revenue and competitive opportunity.

300. In *Broadcom Corp. v. Qualcomm Inc.*, 501 F.3d 297 (3d Cir. 2007), the Third Circuit held that the exclusionary use of proprietary technology, coupled with refusal to license and concealment of licensing intent, constituted an antitrust injury. Here, Defendants not only utilized VoIP-Pal's routing system without license but utilized it in conjunction with operations such as STIR/SHAKEN protocols, thereby foreclosing VoIP-Pal's participation. These facts provide even stronger grounds for equitable relief than those at issue in *Broadcom*.

301. Application to the Case:

- Same Pattern of Exclusion: AT&T, Verizon, and T-Mobile utilized VoIP-Pal's DID-based routing claims as part of their Wi-Fi Calling infrastructure without offering fair licensing.
- De Facto Standardization Through Use: The Defendants effectively standardized VoIP-Pal's DID-based routing technology as a core operational component within both STIR/SHAKEN authentication protocols and Wi-Fi Calling infrastructure—paralleling how Qualcomm's proprietary technology became embedded in 3G mobile standards through widespread industry adoption.
- Illegal Market Foreclosure: Just as Qualcomm foreclosed competitors by hiding its licensing requirements, the Defendants foreclosed VoIP-Pal by utilizing its technology without

access.

- **Software-Level Misuse:** This is a direct match to unauthorized software integration of patented or proprietary technology into commercial infrastructure, making *Broadcom v. Qualcomm* the strongest precedent for VoIP-Pal's antitrust and licensing exclusion claims.

302. The Seventh Circuit's decision in *United States v. Dish Network, LLC*, 954 F.3d 970 (7th Cir. 2020), confirms that software-driven enterprise misconduct—when used as the engine of regulatory violation—can be subject to structural equitable relief, including injunctions and divestiture. The Wi-Fi Calling infrastructure deployed by Defendants functions as the technological foundation of a racketeering scheme to deceive subscribers, mask infrastructure use, and exclude competitors.

303. Application to the Case:

- **Enterprise-Wide Abuse:** The Defendants' Wi-Fi Calling systems are infrastructures used to execute a fraudulent enterprise scheme, exactly like Dish's telemarketing systems.
- **Structural Misuse, Not Isolated Action:** The use of VoIP-Pal's DID-based routing system is not incidental, but part of a centralized enterprise platform used to deceive consumers (e.g., "no charge" Wi-Fi Calling) and exclude competitors (VoIP-Pal).
- **Equitable Lien Justified:** The Dish case shows that infrastructure itself can be the subject of equitable remedies and permanent injunctive relief, supporting VoIP-Pal's claim for a lien or constructive trust over the Defendants' routing systems.

304. Further, *eBay Inc. v. MercExchange, LLC*, 547 U.S. 388 (2006), affirmed that injunctive and equitable remedies may issue when defendants incorporate patented or proprietary software into broader platforms without consent, and where traditional damages are insufficient to redress

harm. VoIP-Pal's exclusion from the Wi-Fi Calling market—despite widespread deployment of its routing technology—meets this standard for structural equitable relief.

305. Application to the Case:

- Utilizing Technology Without License: eBay confirmed that even if the technology is integrated into a broader system, unauthorized use warrants injunctive or equitable relief.
- Balance of Harms Test: VoIP-Pal has been excluded from a multi-billion-dollar market, while the Defendants utilized its DID-based routing system into their core systems. This matches the balance-of-harms test that justified injunctive or structural relief in eBay.
- Equitable Lien is Appropriate: The court clarified that equitable remedies—including non-monetary relief—are appropriate where systemic misuse harms a market participant, even if the product has been widely deployed

306. This claim satisfies the equitable lien standard: VoIP-Pal's technology was unjustly exploited; Defendants retained traceable and quantifiable financial benefit in the form of subscriber revenues and cost savings estimated at \$209.47 billion; and the benefit is directly connected to VoIP-Pal's DID-based routing system. Courts have long recognized such traceability as grounds for equitable restitution, even absent a formal agreement, where the proceeds are clearly tied to the plaintiff's contribution.

307. Accordingly, Plaintiff respectfully requests the Court to impose an equitable lien or constructive trust over the systems and revenue streams associated with Defendants' Wi-Fi Calling operations that incorporate VoIP-Pal's DID-based technology. This includes routing databases, IMS systems, billing systems falsely labeled "no charge," and resulting profits obtained through unauthorized infrastructure deployment.

6. The Legal Consequence: An Equitable Lien

308. In light of these facts, VoIP-Pal asserts a legal and equitable lien on all subscriber-derived revenue and offloading cost savings that flowed from the use of its DID-based claims. This lien arises from the principle that no entity should be unjustly enriched by the unauthorized use of another's proprietary systems—especially when those systems are essential to the delivery of revenue-generating services. This is not merely a claim for damages. It is a call for judicial recognition that VoIP-Pal retains a continuing legal interest in the financial benefits derived from its technology. Where the Defendants deployed Wi-Fi Calling, bundled to cellular calling and texting, utilizing VoIP-Pal's DID-based routing system without a license or authorization, and where that system became essential to services paid for by 373 million subscribers, VoIP-Pal is entitled to a lien on those resulting revenue streams.

7. Legal Precedent Supporting the Equitable Lien

309. The assertion of an equitable lien is further supported by the following case law:

a. *Sereboff v. Mid Atlantic Medical Services, Inc.*, 547 U.S. 356 (2006)

310. Key Principle: The U.S. Supreme Court upheld the enforcement of an equitable lien where a plaintiff sought recovery of identifiable funds wrongfully retained by a defendant. The Court clarified that such a lien does not require prior legal title, only traceability and wrongful possession. **Application to the Case:** VoIP-Pal is not seeking a generalized monetary award, but rather an equitable claim over specific and traceable proceeds resulting from the Defendants' unauthorized use of its DID-based routing infrastructure. Subscriber-derived revenues and offloading cost savings—currently estimated at \$209.47 billion between 2018 and 2024—are identifiable, measurable, and continue to reside within Defendants' operational and financial systems.

b. *Midlantic Nat'l Bank v. Bridge Builders*, 39 F.3d 146 (4th Cir. 1994)

- 311. Key Principle:** Equitable liens are appropriate when specific property or proceeds are unjustly retained through misuse of another's contribution, even without a formal agreement. **Application to the Case:** This directly supports VoIP-Pal's claim that subscriber-generated revenues, obtained via unauthorized deployment of its DID-based routing system, are subject to lien. The ruling affirms the core requirement under equitable doctrine that "the res must be specifically identifiable and within the control of the defendant." That condition is fully met here.

c. *FTC v. Bronson Partners, LLC*, 674 F. Supp. 2d 373 (D. Conn. 2009)

- 312. Key Principle:** Equitable restitution may be granted for digital fraud where defendants retain traceable profits derived from deceptive or unauthorized use of infrastructure or systems. **Application to the Case:** This modern precedent is directly aligned with VoIP-Pal's claim. The Defendants generated subscriber revenue and reaped infrastructure cost savings by routing Wi-Fi Calling over networks powered by VoIP-Pal's DID-based system—while falsely marketing those services as "no charge." As in *Bronson*, this digital fraud supports a lien over the revenue stream unjustly retained.

d. *Apollo Fuel Oil v. United States*, 195 F.3d 74 (2d Cir. 1999)

- 313. Key Principle:** The Second Circuit held that even absent contractual terms, an equitable interest arises when one party benefits from another's infrastructure or systems without compensation. **Application to the Case:** VoIP-Pal's DID-based system enabled the Defendants to implement scalable Wi-Fi Calling solutions, directly producing savings through offloaded voice traffic. As in *Apollo*, restitution or lien is appropriate where dominant actors gain commercial advantage through unauthorized use of essential infrastructure.

e. *Montgomery v. Carter Oil Co.*, 73 F. Supp. 109 (E.D. Ill. 1947)

314. **Key Principle:** A court may impose an equitable lien where a party unjustly benefits from another’s unlicensed intellectual property or innovation. **Application to the Case:** This early yet well-reasoned precedent analogizes strongly to VoIP-Pal’s situation. The plaintiff, like VoIP-Pal, developed a proprietary system that was adopted by a larger industry player without compensation. The ruling confirms that equity compels lien relief when innovation is expropriated and monetized without a license.

f. **Contrast Cases: *Great-West v. Knudson* and *Montanile v. Board of Trustees***

315. The Supreme Court denied equitable relief in *Great-West Life & Annuity Ins. Co. v. Knudson*, 534 U.S. 204 (2002), and again in *Montanile v. Board of Trustees*, 577 U.S. 136 (2016), because the specific funds sought were either no longer in the defendant’s possession or had been dissipated. These cases establish an important limitation on equitable liens: the funds or property must be traceable and in the possession of the defendant at the time of judgment.
316. **Application to the Case:** These holdings actually strengthen VoIP-Pal’s position, not weaken it. Unlike in *Knudson* or *Montanile*, the Defendants in this case continue to derive measurable economic benefit from their ongoing use of VoIP-Pal’s DID-based routing infrastructure. The revenue streams are not hypothetical or spent—they are recurring, ongoing, and traceable through public investor disclosures, regulatory filings, and financial reporting.

H. Piercing the Corporate Veil: Director Liability

1. Why “No Charge” Was a Fraud—and Why It Triggers Executive and Director Liability

317. This case is not about billing disputes. It is not about licensing disagreements. It is about a deliberate enterprise-wide fraud, executed by three of the most powerful telecommunications companies in the United States: AT&T, Verizon, and T-Mobile. These Defendants falsely marketed Wi-Fi Calling as “no charge”, while:

- Forcing consumers to purchase bundled cellular calling and texting just to access it;
- Using consumer-paid Wi-Fi networks to deliver those calls without using their own towers;
- Utilizing the Plaintiff’s DID-based routing system in their Wi-Fi Calling systems, use which was never authorized and never licensed.

318. They knew what they were doing. Their executives and directors approved it. And now, the corporate veil must be pierced—because this is not ordinary mismanagement. It is a violation of four federal laws, including the RICO Act, the Sherman Act, the Clayton Act, and the Telecommunications Act.

319. All 373 million U.S. subscribers were tied into bundled plans. Every subscriber was charged as if towers were used, when the call ran over their own Wi-Fi. The “no charge” claim concealed the cost of infrastructure that was already embedded in their cellular bill. Consumers were blocked from accessing competitive VoWi-Fi services—a textbook market foreclosure in violation of both Sherman § 1–2 and Clayton § 3 & § 5. This conduct not only violated antitrust statutes—it was sustained through mail fraud, wire fraud, and systemic concealment, placing it squarely under RICO.

2. Why This Pierces the Corporate Veil

320. Defendants’ executives and directors cannot hide behind the corporate form to escape liability for the systemic fraud they designed, approved, and profited from. This case is not about aggressive

competition or strategic business judgment. It is about calculated deception, engineered market exclusion, and corporate racketeering masquerading as legitimate telecommunications services.

- 321.** The fraudulent marketing of Wi-Fi Calling as “no charge” was not an accident. It was a deliberate, enterprise-wide campaign crafted in boardrooms, approved by corporate officers, and pushed across advertising platforms, billing systems, and subscriber contracts. Executives knew that Wi-Fi Calling was not free. They knew it was locked behind bundled cellular plans, and they knew consumers were still being billed full price for cellular infrastructure even when calls traveled over subscriber-funded Wi-Fi networks. The “no charge” language was a fraud at scale, and it served one purpose only: to keep consumers locked into overpriced, unnecessary cellular plans while crushing any competitive threat from innovators like VoIP-Pal.
- 322.** The illegal tying of Wi-Fi Calling to mandatory cellular purchases was another pillar of the fraud. Defendants’ leadership teams deliberately refused to unbundle access to Wi-Fi Calling, even though the technology was fully capable of operating independently. They maintained this tying arrangement because it guaranteed billions in revenue and prevented new entrants from offering lower-cost, Wi-Fi-first alternatives. By enforcing these illegal bundles through subscriber contracts and billing systems, executives built a commercial fortress around mobile voice services — one sustained not by innovation, but by coercion and deceit.
- 323.** At every stage, Defendants’ directors and executives oversaw the exclusion of competitors. They adopted internal strategies to prevent MVNOs and independent providers from offering Wi-Fi-first plans. The Defendants utilized VoIP-Pal’s DID-based routing system within their network cores with Wi-Fi Calling all the while denying licensing opportunities to VoIP-Pal and others. They engineered a closed market where no consumer could access Wi-Fi Calling without paying tribute to Defendants’ bundled voice products. This was not incidental conduct; it was the

business model.

- 324.** Profits from this scheme flowed directly to corporate executives and directors. Executive bonuses, compensation packages, and stock valuations ballooned as a direct result of artificially preserved market dominance. Every false advertisement, every tied contract, every suppressed competitor was another brick in a wall designed to protect corporate profits through fraud. The individuals who authorized, executed, and profited from these practices cannot now claim the protections of corporate separateness.
- 325.** When executives deliberately deploy fraud as a business strategy, they cross the line from business judgment into racketeering. When false advertising, illegal tying, and competitor exclusion become structural policies rather than isolated events, the corporate veil dissolves. The law does not protect corporate actors who transform their companies into engines of deception and exclusion. The Defendants’ enterprise was not just fraudulent; it was designed to appear legitimate on the surface while carrying out a coordinated scheme to deceive consumers, suppress innovation, and enrich insiders. The carriers’ reputations as trusted communications providers were weaponized against their own customers and against VoIP-Pal, whose innovations are essential in Wi-Fi Calling systems. The fraud here did not merely occur within the companies — it was the companies.
- 326.** Plaintiffs respectfully request that the Court recognize the true nature of Defendants’ conduct. The individuals who orchestrated and approved this enterprise-wide fraud must be held personally accountable. Corporate titles, internal hierarchies, and layers of bureaucracy cannot shield executives who knowingly turned their companies into instruments of racketeering.

3. Key Precedents Supporting Executive and Director Liability

- 327.** *Lawlor v. District of Columbia*, 758 A.2d 964 (D.C. 2000). Holding: “The corporate veil may be

pierced when individuals misuse corporate protections to perpetrate fraud, resulting in harm to the public.”

328. **Application to the Case:** The directors’ approval of the “free Wi-Fi Calling” narrative—despite internal knowledge of bundled cost inflation—mirrors the fraudulent public harm at issue in Lawlor. RICO and antitrust violations are not protected by corporate form when directors approve and perpetuate the fraud.
329. *District Cablevision Ltd. P’ship v. Bassin*, 828 A.2d 714 (D.C. 2003). Holding: Directors who knowingly approve deceptive trade practices that harm D.C. residents can be held individually liable under consumer protection law.
330. **Application to the Case:** Over 700,000 mobile subscribers in the District of Columbia were forced into bundled plans to access Wi-Fi Calling. This creates jurisdictional standing for local veil-piercing.
331. *United States v. Microsoft Corp.*, 253 F.3d 34 (D.C. Cir. 2001): Holding: “A firm may not tie two separate products... when the practice forecloses competition in the tied product market.”
332. **Application to the Case:** Like Microsoft tying Internet Explorer to Windows to kill Netscape, the Defendants here tied Wi-Fi Calling to cellular voice/text plans, killing off standalone VoWi-Fi services like those VoIP-Pal could offer.
333. *Boyle v. United States*, 556 U.S. 938 (2009): Holding: An enterprise may consist of any group associated in fact for a common purpose.
334. **Application to the Case:** The boards and legal teams of the three carriers operated as an informal enterprise. They adopted identical marketing, pricing, and unbundling strategies. This structure alone satisfies RICO enterprise requirements.
335. *Cedric Kushner Promotions v. King*, 533 U.S. 158 (2001). Holding: A corporate officer is

personally liable under RICO for racketeering acts committed on behalf of the corporation.

336. **Application to the Case:** Legal counsel, marketing heads, and CEOs approved fraudulent disclosures, pricing structures, and license denials across all three carriers.
337. *Stone v. Ritter*, 911 A.2d 362 (Del. 2006). Holding: Directors are personally liable where they “utterly fail” to implement oversight to detect and prevent corporate misconduct.
338. **Application to the Case:** Directors and legal executives at AT&T, Verizon, and T-Mobile received internal compliance reports and had knowledge of Section 251 unbundling requirements. Their continued silence after the public filing of this Complaint in August 2024 compounds their personal liability. VoIP-Pal and all 373 million class members continued to be harmed after notice.
339. *United States v. Philip Morris USA Inc.*, 566 F.3d 1095 (D.C. Cir. 2009). Holding: Corporate officers cannot use their titles to insulate themselves from liability when they manage or approve misleading advertising that harms consumers.
340. **Application to the Case:** Senior executives from all three companies approved uniform language on customer bills and websites. Every subscriber was told Wi-Fi Calling was “included” while forced to buy cellular service to use it. That is textbook fraud.

4. Directors Are Not Protected When the Enterprise Is a Racketeering Vehicle

341. The directors and general counsel of AT&T, Verizon, and T-Mobile are not detached third parties to the fraudulent scheme alleged in this action. They are the architects of a coordinated bundling strategy that unlawfully foreclosed competition in the mobile voice and Wi-Fi Calling markets. They approved deceptive pricing models and systematically denied licensing opportunities to innovators like VoIP-Pal. They enabled the hoarding of essential network infrastructure, in direct violation of federal telecommunications law, in order to maintain and extend Defendants’

collective market dominance.

- 342.** This misconduct transcends mere corporate mismanagement or poor governance. It constitutes an enterprise-wide fraud that violated Section 251 of the Telecommunications Act by refusing to unbundle access to critical network elements. It suppressed competition in violation of the Sherman Act and the Clayton Act by tying Wi-Fi Calling access to full cellular service purchases and eliminating alternative market entry. Furthermore, the scope, duration, and coordination of Defendants' conduct satisfy the pattern, continuity, and enterprise elements required to establish liability under the RICO Act.
- 343.** RICO § 1964(c) allows for civil damages directly from individual directors. Treble damages and injunctive relief apply. The corporate veil is pierced because the corporation itself became the instrument of fraud.

I. Final Legal Takeaway: Why the Structural Aspect Matters

- 344.** The fraud perpetrated by the Defendants is structural because it relied upon:
- A DID-based routing system capable of classifying and routing calls based on destination identifiers (DIDs)—a system used in their Wi-Fi Calling deployments that enabled Defendants to offload Wi-Fi calls from more expensive cellular networks to less expensive Wi-Fi pathways.
 - A mandatory bundling requirement—forcing every subscriber to purchase cellular voice/texting just to access Wi-Fi Calling.
 - A single narrative of deception—marketing the service as “included” or “free,” while hiding the infrastructure used and overbilling for services not rendered.
- 345.** This behavior was coordinated. It was not competitive. And it is explicitly prohibited by:

- RICO – 18 U.S.C. § 1962(c)
- Sherman Act – §§ 1 and 2
- Clayton Act – § 3
- Telecommunications Act – § 251(c)(3)

346. The legal precedents are clear and controlling. Microsoft, Kodak, and Caribbean Broadcasting each provide direct analogues confirming that VoIP-Pal’s exclusion and the Defendants’ conduct constitute unlawful, structural market foreclosure. These rulings affirm the need for antitrust and telecommunications enforcement—and in this case, RICO provides the unifying legal foundation and structure to address the full scale of the harm.

J. How VoIP-Pal Exposes This Structural Fraud

1. Introduction

- 347.** This case is not about isolated billing errors or patent infringement. It is about a nationwide racketeering scheme coordinated by AT&T, Verizon, and T-Mobile to exclude a rightful market competitor—VoIP-Pal—from participating in the Wi-Fi Calling market. What began as a technological innovation by VoIP-Pal became a component of Wi-Fi Calling in a \$209.47 billion enterprise. What followed was not competition, but collusion: the systematic utilization of VoIP-Pal’s patented DID-based routing system in three core networks, without license or fair access.
- 348.** These three Defendants did not act as competitors. They acted as a single RICO enterprise. They:
- Tied access to Wi-Fi Calling to mandatory cellular bundles,
 - Misrepresented Wi-Fi Calling as “no charge” when it was locked behind paid services,
 - Used VoIP-Pal’s DID-based routing system, an essential component of Wi-Fi Calling systems, and

- Denied VoIP-Pal the opportunity to license, partner, or compete in the VoWi-Fi market.

349. This Complaint establishes collusion, structured fraud, exclusionary conduct, and systemic harm—built on a hidden but essential technology VoIP-Pal alone invented.

2. Parallel Conduct

350. AT&T, Verizon, and T-Mobile acted in lockstep. All three:

- Required bundled cellular service to access Wi-Fi Calling,
- Advertised Wi-Fi Calling as “included” or “no extra charge,”
- Used VoIP-Pal’s DID-based routing system inside their IMS cores and essential in Wi-Fi Calling and offloading calls,
- Refused to license the technology utilized, and
- Blocked any standalone access to VoIP services.

351. This identical conduct cannot be coincidental. In *Interstate Circuit v. United States*, 306 U.S. 208 (1939), the Supreme Court held that parallel action by competitors, absent independent justification, is sufficient to infer collusion.

352. Application to the Case: Each Defendant independently stood to gain from licensing VoIP-Pal’s infrastructure and gain a competitive advantage, yet none did. Each utilized VoIP-Pal’s DID-based routing system anticompetitively against VoIP-Pal. Each advertised identical terms and tied Wi-Fi Calling to cellular bundles. Such conduct defies competitive logic and signals a unified enterprise.

3. Plus Factors

353. Under *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007), courts look for “plus factors” beyond parallel conduct. Here, the plus factors are unmistakable:

- All three Defendants had the same motive: suppress VoIP-Pal and preserve market dominance.
- Each acted against individual economic interest by rejecting VoIP-Pal's license to the technology that at the time of the offer would have given them a competitive edge.
- All the Defendants utilized VoIP-Pal's DID-based routing system, including Claims 14, 41, 61, 81 and 100 of the '815 Patent and Claims 8, 33, 57, 86 and 90 of the '005 Patent, without compensation.

354. These are precisely the kinds of coordinated, irrational behaviors that antitrust laws seek to deter. When coupled with the motive to exclude a known innovator, the conspiracy becomes evident.

4. Motive and Opportunity to Collude

355. In *Theatre Enterprises v. Paramount*, 346 U.S. 537 (1954), the Court held that a conspiracy may be inferred from evidence that competitors had motive and opportunity. The Defendants here:

- Participated in overlapping industry groups and FCC advisory boards,
- Adopted interoperable IMS systems that utilized VoIP-Pal's DID-based routing system without authorization, and
- Uniformly blocked VoIP-Pal's licensing efforts.

356. Application to the Case: The carriers had every opportunity to partner or license VoIP-Pal's DID-based routing system. Instead, the Defendants chose enterprise-wide exclusion. This collusion cannot be explained as independent behavior.

5. Economic Irrationality Without Collusion

357. In *American Tobacco Co. v. United States*, 328 U.S. 781 (1946), the Court held that parallel economic irrationality strongly implies conspiracy. If competition were real, at least one

Defendant would have licensed VoIP-Pal's technology, offered standalone Wi-Fi Calling, and gained massive market share.

358. Yet none did. Instead, all three adopted the same scheme:

- Bundle Wi-Fi Calling behind paid cellular plans,
- Block licensing or alternative offerings.

359. Their uniform refusal to break from the scheme signals not only a RICO-level association-in-fact but also an agreement (not just coincidence) in restraint of trade under the antitrust laws.

6. No Legitimate Business Justification

360. In *Eastman Kodak Co. v. Image Tech.*, 504 U.S. 451 (1992), the Court condemned leveraging market dominance to block competitors in adjacent markets without legitimate justification.

361. The Defendants here:

- Had no need to tie Wi-Fi Calling to cellular voice services,
- Incurred no cellular infrastructure cost for Wi-Fi calls, and
- Could have offered lower-priced standalone Wi-Fi Calling services.

362. Instead, the Defendants did the opposite. The Defendants knowingly denied market access to VoIP-Pal and other competitors in the VoWi-Fi market, syphoning consumers' pockets using the offloading mechanism, and preserving an artificial price floor through deception.

ARTICLE III AND STATUTORY STANDING

363. VoIP-Pal has both constitutional standing under Article III and statutory standing under the Sherman Act, Clayton Act, Telecommunications Act §251, and RICO §1964(c) to bring this action. The claims arise not from speculative harm or derivative consumer grievances, but from concrete, particularized, and legally recognizable injuries suffered directly by VoIP-Pal as a

competitor, innovator, and rights-holder in the Wi-Fi Calling market. These injuries include:

- Loss of revenue and licensing opportunities, due to the Defendants’ unauthorized internal use of VoIP-Pal’s DID-based routing claims;
- Total market exclusion, caused by the Defendants’ coordinated tying of Wi-Fi Calling to bundled cellular services;
- Devaluation of VoIP-Pal’s pricing model, due to a false market perception that Wi-Fi Calling is “free,” despite being locked behind paid infrastructure;

364. These harms are:

1. Concrete and actual, not abstract or conjectural (Kodak),
2. Fairly traceable to the Defendants’ conduct, including their refusal to unbundle or license (Lexmark; Broadcom),
3. And redressable by a favorable court decision through monetary, injunctive, and declaratory relief (Aspen Skiing; Iowa Utilities Board).

365. The exclusionary strategy was not random—it was systemic, industry-wide, and specifically designed to prevent the rise of standalone Wi-Fi Calling platforms like VoIP-Pal. The Defendants’ control of over 97% of the smartphone market, their identical pricing strategy (\$0.00 Wi-Fi Calling only within bundles), and their joint refusal to offer standalone access to MVNOs or third-party routing platforms establish a coordinated enterprise model of exclusion. This makes VoIP-Pal not merely a competitor—but the injured party whose innovations and market access were utilized, suppressed, and monetized by others

A. INJURY-IN-FACT

- 366.** VoIP-Pal's injury is not hypothetical. It is concrete, particularized, and directly suffered in its capacity as a technology owner and potential market entrant. VoIP-Pal has developed patented technology capable of supporting a commercially viable platform that could deliver standalone Wi-Fi Calling at consumer-friendly rates—\$6.50/month for individuals and \$20/month for families.
- 367.** VoIP-Pal's injury is concrete, particularized, and directly traceable to Defendants' unlawful conduct. The harm is not speculative; it stems from the destruction of a functional and monetizable market for standalone Wi-Fi Calling services, a market VoIP-Pal was uniquely positioned to enter through its DID-based routing technology. VoIP-Pal's inability to license its innovations or launch a competitive platform was not the result of insufficient demand or technological inadequacy, but rather the direct consequence of exclusionary practices perpetrated by Defendants. The injury is identifiable through lost revenue opportunities, specific to VoIP-Pal's role as a technology innovator with demonstrated capacity to commercialize its assets, and measurable by its exclusion from a competitive market that would have otherwise been available absent Defendants' enterprise-wide misconduct.
- 368.** The prior existence of a viable Wi-Fi Calling market confirms that VoIP-Pal had a commercial path forward, and its destruction by Defendants establishes a factual foundation for VoIP-Pal's injury. VoIP-Pal suffered direct and substantial harm as a result of Defendants' unlawful conduct. Defendants prevented VoIP-Pal from monetizing its patented DID-based routing technology by deploying the same functionality internally without license, attribution, or compensation. Each Defendant integrated VoIP-Pal's routing system into its network operations without providing any acknowledgment or payment, thereby unlawfully appropriating the benefits of VoIP-Pal's innovations. As a result, VoIP-Pal was denied revenue from potential licensing agreements,

including sublicensing opportunities with mobile virtual network operators (MVNOs) and independent telecommunications platforms. Defendants’ conduct excluded VoIP-Pal entirely from participating in the emerging commercial market for Wi-Fi Calling. In addition, Defendants’ deceptive pricing strategies—offering Wi-Fi Calling at an apparent cost of \$0.00, but only as part of bundled cellular service plans—rendered any standalone Wi-Fi Calling offerings economically nonviable, further foreclosing VoIP-Pal’s competitive opportunities.

- 369.** These facts establish a particularized injury to VoIP-Pal’s business model, property rights, and competitive opportunity. The economic harm is measurable: VoIP-Pal was denied the ability to launch a profitable product that would have served tens of millions of users now locked into carrier ecosystems. The exclusionary structures remain in place, and the market remains foreclosed.
- 370.** The Supreme Court’s decision in *Eastman Kodak Co. v. Image Technical Services, Inc.*, 504 U.S. 451 (1992), is directly on point. There, the Court held that a dominant firm’s refusal to provide replacement parts to independent service providers—despite consumer ownership of the primary product—could violate antitrust law if it foreclosed competition in the aftermarket. Crucially, the Court rejected *Kodak’s* defense that competition in the primary market excused its conduct in the secondary one.
- 371.** VoIP-Pal’s position is analogous. Like the ISOs in *Kodak*, VoIP-Pal sought to compete in a secondary market—Wi-Fi Calling services—built upon infrastructure already in place and accessible to consumers. Although smartphones were fully capable of supporting standalone Wi-Fi Calling, VoIP-Pal was denied any opportunity to commercialize its technology because the Defendants retained exclusive control over the infrastructure necessary for delivering that service. This denial of access, like *Kodak’s*, foreclosed competition and caused the exact type of injury

recognized as sufficient for antitrust standing.

372. The Defendants maintained exclusive control over **carrier-integrated Wi-Fi Calling capabilities and the network-level infrastructure necessary to support them**—paralleling *Kodak*’s control over essential replacement parts. While VoIP-Pal could have pursued over-the-top alternatives, **the Defendants’ gatekeeping foreclosed access to the high-value segment of the market** that relies on native integration and infrastructure-level cooperation. This effectively **blocked VoIP-Pal from commercializing its technology in the carrier-grade Wi-Fi Calling market**, despite the established demand and technical feasibility for such services.
373. *Kodak* supports VoIP-Pal’s claim of injury-in-fact where a dominant firm blocks market entry by controlling essential infrastructure and denying access to would-be competitors. VoIP-Pal’s resulting loss of commercial access is the precise type of concrete and particularized injury recognized in *Kodak*, where a dominant firm’s control over essential infrastructure allowed it to foreclose competition in a dependent market.
374. The Third Circuit’s decision in *Broadcom Corp. v. Qualcomm Inc.*, 501 F.3d 297 (3d Cir. 2007), further reinforces VoIP-Pal’s claim of injury-in-fact. In *Broadcom*, the court held that a dominant firm’s refusal to license essential technology—paired with exclusionary conduct in a dependent market—could support antitrust standing. Qualcomm had withheld licensing of critical mobile communication standards and used its control over that infrastructure to foreclose competition in the CDMA chip market. The court recognized this as a direct injury to Broadcom’s commercialization efforts and competitive viability.
375. VoIP-Pal’s situation mirrors this closely. Like *Broadcom*, VoIP-Pal developed essential technology—in this case, its patented DID-based routing system—that played a foundational role

in the delivery of Wi-Fi Calling. The Defendants integrated this routing functionality into their networks without authorization or compensation, while simultaneously denying VoIP-Pal access to the commercial avenues needed to monetize that innovation. The result was a structural exclusion from the very market VoIP-Pal helped enable.

- 376.** As in *Broadcom*, this conduct constitutes more than simple competition; it reflects a deliberate use of market power to suppress an independent innovator and eliminate a competitive threat. VoIP-Pal's exclusion from licensing opportunities, revenue channels, and the broader commercialization pathway is a textbook example of the kind of antitrust injury recognized in *Broadcom*.
- 377.** The Supreme Court's decision in *Aspen Skiing Co. v. Aspen Highlands Skiing Corp.*, 472 U.S. 585 (1985), provides further support for VoIP-Pal's standing. In *Aspen*, the Court found that a dominant firm's refusal to continue a previously cooperative business arrangement—where there was no valid justification beyond suppressing a competitor—constituted unlawful exclusion. The refusal to deal was not based on cost, quality, or efficiency, but rather on a desire to drive a rival out of the market.
- 378.** VoIP-Pal faces a parallel form of exclusion. The Defendants refused to cooperate with VoIP-Pal, not because of any commercial impracticality or technological deficiency, but to protect their bundled cellular voice business from disruptive alternatives. VoIP-Pal was denied the opportunity to commercialize its technology or enter the market through lawful licensing, access arrangements, or cooperative partnerships. This refusal foreclosed any chance of offering a standalone Wi-Fi Calling option that could compete on price or functionality.
- 379.** Just as the Court in *Aspen* found a concrete antitrust injury in the targeted suppression of a willing and capable competitor, VoIP-Pal's exclusion from the Wi-Fi Calling market constitutes a real

and measurable harm. It was denied access to a market in which it sought to participate, for reasons rooted not in business necessity, but in strategic exclusion. *Aspen Skiing* thus directly supports VoIP-Pal's claim of injury-in-fact and strengthens the case for antitrust liability in the face of unjustified market foreclosure.

B. CAUSATION

- 380.** The collapse of the standalone Wi-Fi Calling market was neither natural nor inevitable; it was the direct result of Defendants' coordinated and exclusionary conduct. Defendants tied access to Wi-Fi Calling to the purchase of full cellular voice and texting bundles, blocked mobile virtual network operators (MVNOs) from offering Wi-Fi-first service plans, and eliminated consumer pricing alternatives by embedding Wi-Fi Calling only within premium bundled plans. Through these actions, Defendants systematically foreclosed the emergence of a competitive, standalone Wi-Fi Calling market.
- 381.** VoIP-Pal's exclusion from the Wi-Fi Calling market is directly and proximately traceable to these deliberate structural changes. By making standalone Wi-Fi Calling offerings economically nonviable and technically inaccessible, Defendants rendered it impossible for any independent provider—including VoIP-Pal—to commercially deploy a competitive Wi-Fi Calling product. This artificial foreclosure of the market caused substantial harm to VoIP-Pal's business opportunities, revenue streams, and ability to monetize its DID-based routing innovations. Had the Defendants not altered market conditions, VoIP-Pal—like its predecessors—could have entered a known, functioning product category. Its exclusion, therefore, meets the causation standard under Article III and reinforces the fact that VoIP-Pal's harm was the result of deliberate market foreclosure
- 382.** VoIP-Pal's injury is directly and proximately caused by coordinated market conduct of the

Defendants—AT&T, Verizon, and T-Mobile—who control over 97% of the U.S. smartphone market and jointly adopted a policy of:

- Tying Wi-Fi Calling to cellular calling/texting bundles;
- Setting Wi-Fi Calling at \$0.00, eliminating VoIP-Pal’s ability to offer a priced product;
- Refusing to license VoIP-Pal Wi-Fi technology or recognize VoIP-Pal’s DID-based routing architecture, while deploying that functionality internally;
- Denying Mobile Virtual Network Operators (MVNOs) the ability to resell Wi-Fi Calling as a standalone offering, thereby destroying potential channels of entry for VoIP-Pal.

383. The injury is not coincidental. VoIP-Pal did not fail because of market rejection or technical inferiority—it was structurally and deliberately excluded by practices that were:

- **Coordinated:** All three major phone companies (AT&T, Verizon, and T-Mobile) didn’t just act randomly—they made the same decisions at the same time, showing they were on the same page and working in sync to protect their shared interests.
- **Horizontally Aligned:** Instead of competing against each other, these companies—who are supposed to be rivals—all did the exact same thing across the industry, like copying each other’s game plan to shut out outsiders. That’s called a “horizontal” agreement—everyone at the top moved together.
- **Designed to Prevent Competition:** The way they priced and bundled Wi-Fi Calling wasn’t by accident. It was done on purpose to make sure no one else could offer a separate Wi-Fi Calling service—especially companies like VoIP-Pal. It was a plan to keep total control and block new challengers from entering the market.

384. The Supreme Court’s ruling in *Northern Pacific Railway Co. v. United States*, 356 U.S. 1 (1958),

underscores the harm caused by tying arrangements that foreclose competition. In *Northern Pacific*, the Court held that tying is per se unlawful under the Sherman Act §1 when a company with market power uses its control over one product to force customers to accept another, thereby foreclosing a substantial portion of commerce. The defendant in that case required buyers of its land to agree to ship freight exclusively on its own rail lines—blocking access to alternative transportation providers.

385. The Defendants in this case employed an analogous strategy. By tying Wi-Fi Calling to the purchase of full cellular service plans, they conditioned access to one product (Wi-Fi Calling) on the consumer's agreement to take another (cellular service). This tying arrangement foreclosed competition for standalone Wi-Fi Calling services across virtually the entire U.S. smartphone market—an exclusionary effect even broader than in *Northern Pacific*.
386. VoIP-Pal, a would-be provider of standalone Wi-Fi Calling technology, was directly harmed by this practice. It was denied access to consumers, unable to price its product competitively, and blocked from entering a market that the Defendants had structurally closed off. As in *Northern Pacific*, the injury here is not abstract or indirect—it is a direct result of the Defendants' use of market power to suppress competition through unlawful tying.
387. The Supreme Court's decision in *Bridge v. Phoenix Bond & Indemnity Co.*, 553 U.S. 639 (2008), confirms that a RICO plaintiff may establish causation even when the fraudulent conduct was directed at third parties, so long as the plaintiff suffered economic harm “by reason of” that fraud. In *Bridge*, the defendants engaged in a fraudulent scheme involving false property bids submitted to a public agency. Although the deception targeted the agency, the plaintiffs—competing bidders—were found to have suffered direct competitive harm as an intended and foreseeable result.

- 388.** VoIP-Pal’s circumstances fall squarely within this framework. The Defendants falsely marketed Wi-Fi Calling as “free,” when in fact access to the feature was contingent on purchasing bundled cellular plans. This misrepresentation, though aimed at consumers and the general public, had a clear and deliberate purpose: to eliminate any potential for competition from standalone Wi-Fi Calling providers such as VoIP-Pal.
- 389.** The resulting injury—VoIP-Pal’s exclusion from the market and loss of monetization opportunities—was not incidental, but a foreseeable and intentional consequence of the Defendants’ coordinated scheme. Like the plaintiffs in *Bridge*, VoIP-Pal was not the direct target of the fraud, but it was the direct victim of its market effects. The Court’s holding in *Bridge* thus supports a finding of causation here, where the fraudulent conduct was instrumental in sustaining an exclusionary enterprise that suppressed competitive entry.
- 390.** The Supreme Court’s decision in *AT&T Corp. v. Iowa Utilities Board*, 525 U.S. 366 (1999), affirms the principle that dominant carriers must provide competitors with nondiscriminatory access to essential network elements. Interpreting the 1996 Telecommunications Act, the Court upheld the FCC’s authority to compel incumbent carriers to unbundle these elements and provide access on fair terms under §251(c)(3). The ruling recognized that when infrastructure is essential for competition, denying access can have the same exclusionary effect as traditional anticompetitive conduct.
- 391.** VoIP-Pal’s claims fall directly within this framework. The delivery of carrier-grade Wi-Fi Calling depends on access to core network routing systems and subscriber infrastructure—components that qualify as unbundled network elements under the statute. The Defendants, however, exercised exclusive control over this infrastructure and refused to provide VoIP-Pal any meaningful opportunity to interconnect or participate in the national voice services market.

392. This denial was not only a breach of statutory obligations but also a strategic decision that directly caused VoIP-Pal's exclusion from a commercially viable segment of the telecommunications industry. As in *Iowa Utilities Board*, the refusal to unbundle critical infrastructure served to entrench incumbent control and suppress would-be competitors. VoIP-Pal's injury—loss of access, opportunity, and market participation—flows directly from the Defendants' failure to comply with their legal duty under the Telecommunications Act.
393. These precedents collectively demonstrate that VoIP-Pal's injury is not only foreseeable but legally cognizable across multiple theories of causation. In *Northern Pacific*, the tying of one product to another by a dominant firm was sufficient to foreclose a market and trigger liability. In *Kodak*, the denial of aftermarket access, even where consumers already owned the underlying product, was recognized as exclusionary conduct. In *Iowa Utilities Board*, the Supreme Court affirmed that the refusal to unbundle and share essential infrastructure directly harms competitors and violates statutory obligations. And in *Bridge*, harm resulting from a fraudulent scheme—though directed at third parties—was still actionable where the injury to the plaintiff was intentional and foreseeable.
394. Each case confirms a different but reinforcing route to causation: whether through tying, denial of access, statutory breach, or fraudulent exclusion, VoIP-Pal's injury flows directly from the Defendants' coordinated and exclusionary conduct. **The exclusionary conduct of the Defendants is not only traceable—it is the but-for cause of VoIP-Pal's inability to enter the market and monetize its product.**

1. Tying and Restraint of Trade (Sherman Act §1 / Clayton Act §3)

395. The Supreme Court's decision in *Northern Pacific Railway Co. v. United States*, 356 U.S. 1 (1958), remains a foundational authority on unlawful tying arrangements under both Sherman

Act §1 and Clayton Act §3. The Court held that when a firm with market power conditions the sale of one product on the purchase of another, and that arrangement forecloses a substantial volume of commerce, it constitutes a per se violation of antitrust law. Such conduct is inherently anticompetitive because it restricts consumer choice, limits market entry, and preserves dominance through coercion rather than merit.

396. This principle applies directly to VoIP-Pal’s claims. The Defendants tied access to Wi-Fi Calling to the purchase of bundled cellular voice and text plans—despite the technological feasibility of offering Wi-Fi Calling independently. Consumers were not given the option to access Wi-Fi Calling without also purchasing a full cellular package, and independent providers were structurally excluded from offering competitive alternatives. This tying arrangement foreclosed over 97% of the U.S. smartphone market to standalone offerings and eliminated any meaningful opportunity for VoIP-Pal to enter the market with its patented technology.

397. The Defendants’ conduct exemplifies the type of restraint of trade that *Northern Pacific* prohibits. By leveraging their market power to force bundled purchasing and exclude rivals, they suppressed innovation and denied VoIP-Pal the ability to monetize its product on fair and independent terms. The injury to VoIP-Pal—loss of access, suppression of licensing opportunity, and foreclosure from a distinct product market—is precisely the kind of competitive harm that satisfies the causation standard under both Sherman Act §1 and Clayton Act §3.

2. Attempted Monopolization (Sherman Act §2)

398. The Supreme Court’s decision in *Eastman Kodak Co. v. Image Technical Services, Inc.*, 504 U.S. 451 (1992), is a leading case on attempted monopolization under Sherman Act §2. The Court held that a dominant firm may be held liable when it leverages control over access infrastructure to prevent competition in a secondary or aftermarket. Even where the primary product is widely

available, exclusion from the follow-on market—when controlled by the dominant firm—can constitute anticompetitive conduct if it forecloses legitimate business opportunities.

- 399.** This reasoning directly applies to VoIP-Pal’s exclusion from the Wi-Fi Calling market. Although consumers already possessed smartphones capable of supporting Wi-Fi Calling, VoIP-Pal was systematically denied access to the commercial infrastructure and contractual arrangements necessary to enter that space. The Defendants exercised total control over the relevant delivery channels and refused to allow VoIP-Pal to offer or license its patented routing technology on competitive terms. This was not a technical barrier or market failure—it was a deliberate exercise of dominance to block a potential rival.
- 400.** Like Kodak’s refusal to provide replacement parts to independent service providers, the Defendants’ conduct here was designed to protect their control over a valuable revenue stream by excluding outside innovators. VoIP-Pal’s resulting loss of market access, licensing revenue, and ability to compete in the downstream service market constitutes a direct injury under §2. The exclusion was not driven by efficiency or quality—it was rooted in monopolistic intent, and *Kodak* makes clear that such conduct supports a claim for attempted monopolization.

3. Telecommunications Act §251(c)(3)

- 401.** The Supreme Court’s ruling in *AT&T Corp. v. Iowa Utilities Board*, 525 U.S. 366 (1999), affirmed the FCC’s authority under the Telecommunications Act of 1996 to compel incumbent carriers to provide nondiscriminatory, unbundled access to essential network elements. Section 251(c)(3) imposes a clear statutory duty on dominant carriers to share the infrastructure necessary for competition, and the Court recognized that a refusal to comply with this obligation causes concrete harm to would-be market entrants.
- 402.** VoIP-Pal’s exclusion from the Wi-Fi Calling market reflects precisely the type of statutory

violation the Act was designed to prevent. VoIP-Pal’s patented routing technology enables core functions—such as call delivery and subscriber management—that qualify as network elements under §251. Yet the Defendants, who control the only viable pathways to deploy Wi-Fi Calling at scale, refused to provide VoIP-Pal with unbundled access or to license its technology on reasonable terms. This denial left VoIP-Pal with no path to enter the market or to commercialize its innovation within the framework of carrier-grade services.

- 403.** The resulting injury is not abstract. By withholding access to infrastructure that VoIP-Pal depended on for market participation, the Defendants violated their statutory obligations and effectively blocked a qualified competitor from offering an alternative voice service. As recognized in *Iowa Utilities Board*, such conduct frustrates the core purpose of §251(c)(3): to open markets and prevent entrenched carriers from using their dominance to stifle competition.

4. RICO §1962(c) – Enterprise-Driven Exclusion

- 404.** The Supreme Court’s decision in *Bridge v. Phoenix Bond & Indemnity Co.*, 553 U.S. 639 (2008), clarifies that a plaintiff has standing under RICO §1962(c) when its business is injured as a foreseeable and intentional result of a fraudulent scheme—even if the fraudulent conduct is directed at third parties. In *Bridge*, the Court held that the plaintiffs, although not the immediate targets of the misrepresentations, suffered direct economic harm from a bidding scheme designed to manipulate public processes. This affirmed that RICO liability does not require direct deception of the plaintiff so long as the injury results from the enterprise’s conduct.
- 405.** VoIP-Pal’s injury fits squarely within this framework. The Defendants falsely marketed Wi-Fi Calling as a “free” service, while in fact requiring consumers to purchase full cellular service bundles to access it. This deception was aimed at the public, but the intended and foreseeable effect was to eliminate competition from standalone providers. Simultaneously, the Defendants

blocked access to the commercial mechanisms through which VoIP-Pal could have entered the market, licensed its patented technology, or offered a competing alternative. The result was not incidental—it was the deliberate suppression of a viable competitor through coordinated and deceptive market conduct.

406. This pattern of exclusion—tying a falsely labeled “free” service to a paid bundle, misleading consumers, and foreclosing competitor access—constitutes a textbook case of enterprise-driven exclusion under RICO. VoIP-Pal suffered real, quantifiable harm as a direct result of the Defendants’ fraudulent scheme. Under the principles affirmed in *Bridge*, this injury is actionable and supports VoIP-Pal’s standing under RICO §1962(c).
407. The exclusion of VoIP-Pal from the Wi-Fi Calling market was not incidental—it was the direct and foreseeable result of coordinated conduct by the Defendants. The causal chain between their actions and VoIP-Pal’s injury is clear and well-supported by legal precedent. First, they tied Wi-Fi Calling access to full cellular service plans, ensuring that no consumer could access Wi-Fi Calling without purchasing an accompanying cellular bundle. This strategy effectively eliminated the standalone Wi-Fi Calling market, a market in which VoIP-Pal was prepared to compete.
408. Next, the Defendants set the price of Wi-Fi Calling at \$0.00, available only within bundled cellular offerings. This pricing distortion destroyed the viability of VoIP-Pal’s independent subscription model, which had been competitively priced at \$6.50/month for individuals and \$20/month for families.
409. The Defendants also blocked VoIP-Pal from accessing the means necessary to participate in the Wi-Fi Calling market. Although VoIP-Pal had the technology and commercial intent to enter, the Defendants’ control over all viable channels of deployment left no path for VoIP-Pal to reach consumers. As a result, VoIP-Pal was effectively shut out before it could compete.

- 410.** Finally, by marketing Wi-Fi Calling as a “free” feature, Defendants misled consumers into believing the service had no standalone value, further undercutting any pricing or branding differentiation VoIP-Pal could offer.
- 411.** Taken together, these actions formed a deliberate and interlocking scheme to foreclose VoIP-Pal from the Wi-Fi Calling market, destroy the value of its patented technology, and suppress any independent competition in a once-viable product category.

C. REDRESSABILITY

- 412.** In VoIP-Pal’s case, the injuries it suffered are not only real—they are legally remediable through forms of relief expressly available under federal law. These include treble damages under the Sherman Act, Clayton Act, and RICO; injunctive relief to prohibit the continuation of tied services and compel unbundled access to infrastructure; and declaratory relief to establish that the Defendants’ conduct constituted unlawful exclusion, thereby restoring VoIP-Pal’s ability to license and commercialize its technology.
- 413.** These remedies directly address VoIP-Pal’s lost revenue from its proposed Wi-Fi Calling subscription model, the suppression of licensing opportunities tied to its patented DID-based routing system, and its exclusion from a functioning product market that had previously supported standalone Wi-Fi Calling services. Each category of relief corresponds directly to the legal violations alleged and offers a concrete pathway to redress the competitive and financial harm VoIP-Pal endured.

1. Sherman Act §4 – Damages for Monopolistic Conduct

- 414.** Section 4 of the Sherman Act provides a private right of action for parties injured by monopolistic conduct, allowing for the recovery of treble damages to reflect the severity and deterrent purpose

of antitrust violations. This remedy is available when dominant firms conspire to eliminate competition, restrict market access, and preserve their control through exclusion rather than merit.

- 415.** VoIP-Pal falls squarely within this protection. The Defendants, acting collectively, controlled approximately 97% of the U.S. mobile communications market. Rather than competing on the basis of technology or pricing, they coordinated to prevent VoIP-Pal from entering the Wi-Fi Calling space—a market VoIP-Pal was technologically prepared to serve. The exclusion was not based on any legitimate business rationale; it was driven by a shared intent to suppress an emerging competitor.
- 416.** As a result of this coordinated exclusion, VoIP-Pal lost substantial economic opportunities, including potential licensing revenue and service-based income. These losses are not speculative—they stem directly from the Defendants’ use of market power to prevent VoIP-Pal’s participation in a commercially viable segment of the voice communications market. Under §4 of the Sherman Act, VoIP-Pal is entitled to treble damages to compensate for this harm and to deter further monopolistic conduct.

2. Clayton Act §4 – Damages for Tying and Foreclosure

- 417.** The Clayton Act prohibits tying arrangements that substantially lessen competition or tend to create a monopoly. Under §4, an injured party is entitled to treble damages when exclusionary tying practices foreclose access to a market and prevent lawful competition. This provision is particularly relevant where dominant firms leverage control over one product to force the purchase of another, suppressing consumer choice and excluding alternative providers.
- 418.** In this case, the Defendants tied access to Wi-Fi Calling to the purchase of full cellular service plans, offering Wi-Fi Calling only as a bundled feature within their cellular calling packages. The price of Wi-Fi Calling was set at \$0.00—but only if the consumer committed to purchasing the

higher-cost cellular plan. No standalone version of Wi-Fi Calling was made available, either to consumers or to independent providers.

- 419.** This conduct directly impacted VoIP-Pal, which developed proprietary Wi-Fi Calling technology capable of enabling affordable, standalone voice services. VoIP-Pal was positioned to commercialize its innovation through licensing, partnerships, or future deployment, but the Defendants' tying scheme destroyed any realistic opportunity to do so. Consumers were never given the option to access Wi-Fi Calling separately, and VoIP-Pal was effectively foreclosed from capitalizing on its technology in a competitive market.
- 420.** Such market foreclosure falls squarely within the scope of prohibited conduct under the Clayton Act. VoIP-Pal is therefore entitled to treble damages for its exclusion from a viable product market that the Defendants unlawfully closed through bundling and coercive pricing.

3. RICO §1964(c) – Damages for Fraudulent Enterprise Exclusion

- 421.** While often associated with organized crime, the RICO Act applies broadly to business enterprises that engage in patterns of fraud and exclusionary conduct to dominate a market. Under §1964(c), a party injured “by reason of” a RICO violation is entitled to recover treble damages and legal fees when the injury stems from a pattern of racketeering activity that includes fraud, deception, or exclusion aimed at competitors.
- 422.** VoIP-Pal's exclusion fits squarely within this framework. The Defendants carried out a coordinated scheme that combined deceptive marketing and strategic denial of access to suppress competition in the Wi-Fi Calling market. They marketed Wi-Fi Calling as “free,” misleading consumers into believing it was an independent feature, while in reality it was only available when bundled with full cellular plans. At the same time, the Defendants internally used VoIP-Pal's patented routing technology without authorization or compensation. They also took steps to

prevent others from offering standalone Wi-Fi Calling services—despite the fact that such offerings had previously existed and remained technically feasible.

423. This pattern of behavior was not incidental—it was enterprise-driven exclusion designed to eliminate independent competitors and entrench the Defendants’ market control. VoIP-Pal suffered direct and measurable harm as a result, including lost licensing opportunities, blocked commercialization of its technology, and elimination of a viable pricing model it had validated: \$6.50 per month for individuals and \$20 per month for families. The only barrier to VoIP-Pal’s entry was the Defendants’ coordinated effort to lock consumers into bundled plans and eliminate standalone alternatives. Under RICO §1964(c), VoIP-Pal is entitled to recover treble damages for these losses.

424. In addition to monetary relief, injunctive and declaratory remedies are also appropriate. The court may order the termination of the \$0.00 Wi-Fi Calling pricing scheme unless Wi-Fi Calling is also offered as a standalone service, and require the unbundling of routing infrastructure consistent with the Telecommunications Act §251(c)(3). Declaratory relief may also confirm that Wi-Fi Calling constitutes a distinct market; that the Defendants’ conduct violated antitrust and telecommunications law; and that VoIP-Pal is entitled to pursue licensing, enforcement, and market access consistent with a fair and competitive marketplace.

4. Expanded Case Law for Redressability

425. Courts have long recognized that redressability under Article III does not require a perfect or total remedy—only that the relief sought is likely to address the injury in a meaningful and legally cognizable way. Two Supreme Court cases—*Cargill, Inc. v. Monfort of Colorado, Inc.*, 479 U.S. 104 (1986), and *Massachusetts v. EPA*, 549 U.S. 497 (2007)—underscore the principle that partial relief and forward-looking remedies are sufficient to satisfy the redressability standard for

standing.

- 426.** In *Cargill*, the Court held that a competitor threatened by exclusionary pricing could seek injunctive and monetary relief under antitrust law, even before monopolization was fully realized. The Court recognized that the injury need not be complete or irreversible—only that it be actionable and preventable. VoIP-Pal’s case presents a strikingly similar fact pattern. The Defendants’ use of predatory zero-pricing and product tying cut VoIP-Pal off from a functioning Wi-Fi Calling market. A favorable court ruling could restore competitive conditions by mandating access and unbundling, while also compensating VoIP-Pal for lost revenue streams. *Cargill* affirms that such forward-looking relief satisfies Article III.
- 427.** In *Massachusetts v. EPA*, the Supreme Court further clarified that a plaintiff may establish standing even when the court’s intervention would only partially mitigate the harm. The Court explicitly rejected the idea that full reversal of the injury is required, holding instead that meaningful, incremental redress is sufficient. VoIP-Pal’s injury meets this standard. Even if full market position is not restored, partial relief—such as judicial recognition of licensing rights, a declaration that exclusionary conduct violated federal law, or access to previously foreclosed distribution channels—would materially reduce the economic harm. As in *Massachusetts*, such outcomes would meaningfully redress the injury and support standing.
- 428.** VoIP-Pal’s injury is neither abstract nor speculative. It stems directly from systemic exclusion, blocked licensing opportunities, and the unauthorized use of its patented routing technology. The remedies it seeks—treble damages, injunctive relief mandating access and unbundling, and declaratory findings of unlawful market suppression—are clearly available under the Sherman Act, Clayton Act, RICO, and the Telecommunications Act.
- 429.** Each form of relief is narrowly tailored to the harm suffered and would materially address VoIP-

Pal's exclusion from the market, restore its competitive position, and compensate for lost opportunities. Under binding precedent and the standards articulated in *Cargill* and *Massachusetts v. EPA*, VoIP-Pal fully satisfies the redressability prong of Article III standing.

D. STATUTORY STANDING

430. VoIP-Pal satisfies all elements of Article III standing. VoIP-Pal further has statutory standing that results from the systematic exclusion of VoIP-Pal's standalone Wi-Fi Calling model and the unauthorized internal use of its DID-based routing technology—conduct that violates four distinct legal frameworks.

1. Violation 1: Sherman Act §1 and §2 – Antitrust Law (Restraint of Trade and Attempted Monopolization)

431. §1: The Defendants—AT&T, Verizon, and T-Mobile—collectively control over 97% of the mobile subscriber market. They engaged in horizontal coordination to eliminate standalone Wi-Fi Calling by:

- Tying it to full-price cellular plans;
- Blocking third parties from offering competing alternatives;
- Structuring Wi-Fi Calling pricing at \$0.00—but only within bundled cellular packages.

432. §2: This pricing was not designed to compete—it was intended to eliminate the standalone market. VoIP-Pal had priced its model for market entry, but the Defendants collapsed the pricing floor, rendering entry economically impossible.

433. Standing Basis (Sherman Act §§1–2): VoIP-Pal's injury—loss of market entry, suppressed

revenue potential, and erosion of pricing power—is the direct and foreseeable result of an unlawful conspiracy to restrain trade and a coordinated attempt to monopolize the Wi-Fi Calling market. These injuries are exactly the type contemplated by the Sherman Act and provide a clear basis for standing under §§1 and 2.

2. Violation 2: Clayton Act §§3 and 4 – Tying and Private Right of Action

- 434.** The Defendants violated §3 of the Clayton Act by unlawfully tying Wi-Fi Calling to their full-service cellular plans. Consumers were unable to access Wi-Fi Calling unless they also purchased a bundled voice and text package—even though Wi-Fi Calling is a functionally distinct product that had previously been offered separately by companies like FreedomPop and Republic Wireless.
- 435.** Under §4 of the Clayton Act, VoIP-Pal is entitled to bring a private action for treble damages. It suffered tangible antitrust injury in the form of lost licensing income, reduced consumer value attributable to suppressed pricing alternatives, and the destruction of a monetizable standalone market.
- 436. Standing Basis (Clayton Act §§3–4):** The injuries sustained by VoIP-Pal—including market foreclosure, denial of competitive entry, and direct economic harm—result from a tying arrangement that substantially lessened competition. These harms fall squarely within the scope of the Clayton Act and establish standing under §§3 and 4.

3. Violation 3: Telecommunications Act §251(c)(3) – Denial of Unbundled Access

- 437.** The 1996 Telecommunications Act requires incumbent carriers to provide nondiscriminatory, unbundled access to essential network elements that competitors need in order to offer telecommunications services. Section 251(c)(3) states:

438. “An incumbent local exchange carrier shall provide, to any requesting telecommunications carrier for the provision of a telecommunications service, nondiscriminatory access to network elements on an unbundled basis at any technically feasible point on rates, terms, and conditions that are just, reasonable, and nondiscriminatory...”
(47 U.S.C. § 251(c)(3))

439. Despite this statutory mandate, the Defendants refused to unbundle these critical elements, effectively preventing VoIP-Pal—or any third-party provider—from entering the Wi-Fi Calling market on equal terms. This refusal foreclosed independent innovation and obstructed lawful competition in a regulated telecommunications environment.

440. **Standing Basis (Telecom Act §251(c)(3)):** The Defendants’ failure to offer unbundled access—as required by federal law—directly harmed VoIP-Pal in three measurable ways:

1. It prevented VoIP-Pal from offering its service independently of bundled cellular voice plans;
2. It eliminated VoIP-Pal’s ability to license its technology to MVNOs or other competitive providers;
3. It denied VoIP-Pal access to the market on nondiscriminatory terms, effectively foreclosing lawful participation.

441. This was not a passive oversight. It was a targeted statutory breach intended to preserve incumbent control and eliminate viable competition. As a direct result, VoIP-Pal has standing to bring a claim under §251(c)(3) for exclusion from a regulated telecommunications market through the Defendants’ unlawful refusal to unbundle.

442. **Standing Basis (Telecom Act §251(c)(3)):** The Defendants’ refusal to provide unbundled access

to critical network infrastructure—despite a statutory duty to do so—directly harmed VoIP-Pal’s ability to compete, license its technology, and participate in the telecommunications marketplace. This statutory breach establishes standing under §251(c)(3).

4. Violation 4: RICO §1964(c) – Pattern of Racketeering Conduct and Fraud

443. The Defendants engaged in a coordinated enterprise scheme designed to eliminate competition and unlawfully appropriate VoIP-Pal’s technology. Their conduct included:

- Falsely advertising Wi-Fi Calling as “free,” while concealing that it was only accessible through bundled cellular plans;
- Internally deploying VoIP-Pal’s patented routing system without license, attribution, or compensation;
- Blocking all lawful distribution channels that could have enabled standalone competition.

444. Under RICO §1964(c), VoIP-Pal is entitled to recover for economic injury caused by a pattern of racketeering activity. The predicate acts underlying this scheme include:

- Wire fraud (through false marketing and consumer deception);
- Fraudulent suppression of legitimate licensing and distribution pathways;
- Ongoing coordination to prevent VoIP-Pal’s commercial participation in the Wi-Fi Calling market.

445. Standing Basis (RICO §1964(c)): VoIP-Pal is the direct and intended victim of the Defendants’ fraudulent enterprise conduct. The injury it suffered is economic, ongoing, and specifically designed to prevent its market participation—precisely the type of harm that qualifies for standing under RICO.

5. How “No-Charge Wi-Fi Calling” Created Economic Harm and Legal Liability

446. Although Defendants advertised Wi-Fi Calling as “free,” this was a misleading claim. The service was only available to consumers who purchased full cellular plans. For VoIP-Pal, this “zero-pricing” strategy:

- Eliminated the possibility of introducing a competitively priced product;
- Undermined VoIP-Pal’s business model, which offered Wi-Fi Calling at \$6.50/month;
- Destroyed potential licensing channels, as no MVNO or third-party provider could realistically compete with a bundled, zero-priced product.

447. This was not procompetitive behavior—it was predatory and exclusionary, violating antitrust, telecommunications, and racketeering laws alike. The statutory violations detailed above each provide an independent basis for VoIP-Pal’s standing. The table below summarizes how each legal framework, when applied to the Defendants’ conduct, resulted in a specific and redressable injury to VoIP-Pal:

Final Summary Table: Statutory Violations and Standing Basis

Statute	Violation by Defendants	VoIP-Pal’s Standing Basis
Sherman Act §1	Horizontal coordination to tie Wi-Fi Calling and suppress alternatives	Loss of market access and coordinated exclusion
Sherman Act §2	Predatory pricing (\$0.00) to destroy standalone market	Suppressed pricing model, entry blocked
Clayton Act §3	Illegal tying of Wi-Fi Calling to full cellular bundles	Elimination of product alternatives
Clayton Act §4	Private right to sue for antitrust injuries	Treble damages for lost licensing and suppressed commercial entry
Telecom Act §251(c)(3)	Refusal to unbundle routing infrastructure for competitive access	Denied network access, blocking VoIP-Pal’s entry
RICO §1964(c)	Fraudulent enterprise conduct—misleading pricing, internal tech use without license	Direct economic harm from enterprise-level exclusion scheme

448. Each of the six legal frameworks outlined above independently satisfies the requirements for Article III and statutory standing. Taken together, they demonstrate that VoIP-Pal’s exclusion from the market was not only unlawful under multiple federal statutes—it was the result of a coordinated strategy that caused real, measurable harm. VoIP-Pal’s claims are not speculative, and the relief it seeks is expressly authorized by law. Accordingly, VoIP-Pal has both the constitutional standing and the statutory authority to pursue claims under the Sherman Act, Clayton Act, Telecommunications Act, and RICO for the injuries it has suffered and the market-wide exclusion it continues to face.

E. STANDING UNDER RESTITUTION LAW

1. The Equitable Lien as a Fifth and Independent Federal Basis for Standing

449. In addition to its statutory claims under the Sherman Act, Clayton Act, § 251 of the Telecommunications Act of 1996, and the Racketeer Influenced and Corrupt Organizations Act (RICO), VoIP-Pal asserts a fifth and independent cause of action grounded in federal equitable principles. Specifically, VoIP-Pal seeks restitution through the imposition of an equitable lien, as authorized by the *Restatement (Third) of Restitution and Unjust Enrichment* § 56 (2011).

450. This equitable lien arises from the traceable unjust enrichment the Defendants obtained through their use of VoIP-Pal’s DID-based routing systems. These systems were deployed in the delivery of Wi-Fi Calling, monetize tied service bundles, and offload infrastructure costs—while concealing the economic value of these functionalities behind misleading “no charge” designations. This claim constitutes an independent and fully enforceable legal basis for relief, recognized by the United States Supreme Court as within the scope of federal equity jurisdiction.

2. Legal Basis for VoIP-Pal’s Equitable Lien Claim

451. Section 56 of the *Restatement (Third) of Restitution and Unjust Enrichment* provides that “[i]f a defendant has been unjustly enriched by taking or benefiting from identifiable property or value traceable to the plaintiff’s asset, the plaintiff is entitled to an equitable lien or constructive trust over those proceeds—even absent a formal contract.” This equitable doctrine was affirmed by the U.S. Supreme Court in *Sereboff v. Mid Atlantic Medical Services, Inc.*, 547 U.S. 356 (2006), which held that a plaintiff may enforce an equitable lien to recover a specific, identifiable, and traceable economic benefit—even in the absence of prior legal ownership of the underlying property.
452. This legal framework directly supports VoIP-Pal’s equitable restitution claim. VoIP-Pal does not seek damages based solely on legal title or contractual rights, but on the traceable and unjust economic gains the Defendants retained through the unauthorized use of its routing technology. As such, this lien claim stands as an independent legal theory that may proceed irrespective of the statutory causes of action asserted elsewhere in the complaint.

3. Application to VoIP-Pal’s Economic Harm

453. VoIP-Pal alleges that the Defendants utilized DID-based private routing systems—originating from VoIP-Pal’s patented technologies—in their Wi-Fi Calling that offload billions of voice calls onto Wi-Fi networks, thereby avoiding reliance on traditional mobile infrastructure. This functionality was not offered independently, but was instead conditioned on the purchase of bundled cellular services. As a result, the Defendants realized substantial cost savings and subscriber revenue based on VoIP-Pal’s innovations.
454. Between 2018 and 2024, the Defendants’ economic gain from this scheme—estimated at approximately \$209.47 billion—was retained without any compensation to VoIP-Pal. Despite the fact that VoIP-Pal’s patented system made this cost-saving offloading possible, the company was

never licensed, paid, or acknowledged for the use of its intellectual property. These retained proceeds are directly traceable to VoIP-Pal's contribution and constitute an unjust economic gain. As the originator of the underlying routing technology, VoIP-Pal maintains that it is entitled to recover those benefits through restitution.

4. Elements of VoIP-Pal's Equitable Lien Standing

455. VoIP-Pal satisfies each of the three core requirements for asserting an equitable lien:

- **Traceability:** The Defendants' use of DID-based routing functionality—and the resulting infrastructure savings and subscriber revenue—is directly linked to VoIP-Pal's patented technology and contributions.
- **Quantifiability:** The financial enrichment is measurable, with VoIP-Pal estimating the benefit at \$209.47 billion between 2018 and 2024.
- **No Contract Required:** VoIP-Pal need not establish the existence of a licensing agreement. It is sufficient to show that it provided the enabling innovation and that the Defendants retained the benefits without authorization or compensation.

456. As confirmed in *Sereboff*, these are the precise conditions under which a court may impose a lien or constructive trust over unjustly retained proceeds.

TECHNICAL CONTRIBUTION OF THE ASSERTED DID CLAIMS AND STRUCTURAL MARKET EXCLUSION OF VOIP-PAL

457. The asserted claims across U.S. Patent Nos. 8,542,815 and 9,179,005 disclose a foundational and technically advanced system for real-time intelligent routing within IP-based telecommunications networks. These claims form the core of a call classification and routing system that is utilized in networks that offload from traditional cellular infrastructure.

458. VoIP-Pal's patented system introduced several critical innovations:

- The dynamic identification of subscriber location to resolve on-net endpoint mapping;
- Real-time Direct Inward Dial (DID) lookup for classification of voice calls as either on-net (private) or off-net (public);
- SIP-based routing message generation for end-to-end call delivery across IMS networks;
- Fallback logic for when call endpoints are unreachable internally, triggering PSTN redirection.

459. These technical contributions enable routing within IMS environments where endpoint locations are dynamic and represent a significant leap from legacy architectures.

460. Statutory Claim Type Table:

Method/Process Claims:

'815 Patent: Claims 14, 61

'005 Patent: Claims 8, 86, 90

Apparatus Claims (Structure):

'815 Patent: Claim 81

'005 Patent: Claim 33

Apparatus Claims (Means-Plus-Function):

'815 Patent: Claims 41, 100

'005 Patent: Claim 57

A. How the DID-Based Claims Enabled Wi-Fi Call Offloading

461. When a subscriber, utilizing Wi-Fi Calling, initiates a Wi-Fi call, that call bypasses all cellular towers and uses the Internet to proceed into the carrier's IMS network. From there, VoIP-Pal's

DID-based routing system identifies whether the recipient is reachable on-net or must be routed off-net via the PSTN:

- Real-time classification occurs to determine if the destination is on-net or off-net; and
- In the case that the destination is on-net, the location of the destination is identified.

- 462.** This system is utilized in VoWi-Fi calls that do not utilize cellular infrastructure for the caller. Due to the bundling of cellular calling with VoWi-Fi calling, the subscriber is essentially billed as though tower and cellular switching systems were utilized. The subscriber pays for the ability to make and receive voice calls under the voice plan they purchased, and every Wi-Fi call counts toward that usage — even though the carrier incurs no cellular infrastructure cost to deliver it. Wi-Fi Calling imposes a de facto charge because users must maintain and pay for bundled cellular voice services — even when making calls that never touch a cellular tower.
- 463.** Wi-Fi Calls are commercially treated as paid voice services under the terms of the subscriber agreement, not as truly “free” or “zero-rated” services. The “no charge” representation is deceptive and false because it conceals the embedded, unavoidable cost of maintaining cellular service — causing consumers to overpay and foreclosing cheaper competitive alternatives. The subscriber’s Wi-Fi Calls are functionally indistinguishable from regular cellular calls for billing and service purposes — reinforcing that there is no meaningful “free” separation.
- 464.** When VoIP-Pal started developing its global distributed voice-over-IP system starting in 2004, they recognized that they could utilize a direct-inward-dial (DID) database, which associates PSTN numbers with subscribers for inbound calls, to classify outbound calls as being on-net vs off-net. VoIP-Pal also recognized the need to make a dynamic determination of the location of a callee in the case of on-net destinations and that the DID database could be used for that purpose as well. In this way VoIP-Pal solved the problem of dynamic classification and routing of calls

in cases where an on-net callee could be reached at different locations.

- 465.** The Defendants’ systems at the time did not need to address this issue because on-net callees were only reachable in one way. However, as the Defendants’ systems migrated to IP-based networks where callees could be connected via Wi-Fi from various locations and/or via cellular infrastructure, they needed to solve the same problem that VoIP-Pal had already solved. Thus, they implemented a dynamic location-aware routing system for on-net callees. Specifically, in the Defendants’ systems in EPC/5GC networks, the HSS (4G) or UDR (5G) databases store subscriber data, including MSISDN (DID) and IMSI. Once the party being called is selected and the callee identifier is converted into a reformatted number, the Defendants’ systems use the HSS/UDR databases (represented by the DID Bank Table Record of VoIP-Pal’s DID Claims) to determine whether the callee is a customer of the Defendant or not. In the case that the call is classified as a private network call, the HSS/UDR databases provide further information, including a determination of the current status of the callee such as identifying where on the private network the callee is currently accessible (represented by “identifying an address on the private network associated with the callee” as recited in VoIP-Pal’s DID Claims). In this way the Defendants’ systems utilize VoIP-Pal’s patented DID-based routing system. VoIP-Pal’s DID system performs that real-time classification. It looks at a database record for the destination number. It determines if the callee is a subscriber and if so where the callee is and what network path to use. This dynamic location-aware logic is essential to a system in which there are multiple ways to reach a callee.
- 466.** The Defendants—AT&T, Verizon, and T-Mobile—are using VoIP-Pal’s DID-based classification because it is needed to handle systems in which offloading exists. They’re deploying it because:

- It allows automatic call classification (on-net vs. off-net) and the dynamic location of callees.
- It is essential in systems that offload billions of minutes over Wi-Fi, which doesn't use their towers or spectrum.

467. Yet, it still allows them to charge consumers full cellular rates.

B. Real-World Impact: A \$209.47 billion Infrastructure Savings Scheme

468. Between 2018 and 2024, AT&T, Verizon, and T-Mobile collectively saved over \$209.47 billion by offloading voice traffic to consumer-funded Wi-Fi networks, using VoIP-Pal's patented call routing system. The carriers:

- Avoided all capital expenditures associated with spectrum, tower relays, and switching equipment;
- Continued charging subscribers as though full cellular infrastructure had been used;
- Deployed VoIP-Pal's system but never paid for licensing;
- Denied VoIP-Pal access to partnerships, interconnection, or platform commercialization.

469. These actions resulted in the complete structural exclusion of VoIP-Pal from the VoWi-Fi market. The use of "no charge" advertising devalued the innovation itself, positioning Wi-Fi Calling as a free feature when, in fact, its delivery relied on VoIP-Pal's patented infrastructure.

C. Appendix 1 – Evolution of VoWi-Fi market and VoIP-Pal's Injury Due to Foreclosure

470. Appendix 1 more fully demonstrates that the VoWi-Fi or Wi-Fi Calling market is a distinct market from cellular calling. Additionally, it also expounds on the Telecommunications Act and why the Defendant mobile network operators (MNOs) are equivalent or analogous to ILEC's in the Telecommunications Act. Arguments on injury-in-fact and causal connection are also expanded.

D. Appendix 2 – Technical Infrastructure Report

471. A full technical submission supporting these claims is incorporated by reference in Appendix 2.

This document includes:

- End-to-end SIP call routing logic;
- Network log documentation;
- SIP header construction examples;
- Deployment diagrams showing VoIP-Pal’s claims as the functional basis of offloading.

472. Appendix 2 will serve as evidentiary confirmation that the Defendants were not the original developers of this routing system. It was patented by VoIP-Pal’s and then utilized in the Defendants’ systems. Note that nine out of the ten “DID Claims” described in Appendix 2 were previously challenged in Apple’s second set of Inter Partes Review (IPR) petitions, which the United States Patent and Trademark Office (USPTO) **denied** at the institution stage. This procedural history strengthens the presumption of validity for these claims: rather than being claims that were never scrutinized, **they were actively reviewed, and the USPTO affirmatively determined that Apple’s challenges failed to establish a reasonable likelihood of invalidity.** While formal confirmation from the underlying IPR records would provide additional support, preliminary review indicates that VoIP-Pal’s DID-based innovations have already survived targeted invalidity challenges brought by sophisticated market participants.

E. Appendix 3 – Technical Audit And Verification Of Deployment And Reduction To Practice

473. VoIP-Pal’s patented DID-based routing technology is not theoretical—it was fully built, tested, deployed, and verified as operational long before the Defendants launched Wi-Fi Calling to the

public. This fact has been independently confirmed through:

1. Third-Party Audit – Smart421 (UK)

474. Smart421 conducted a formal, multi-phase technical audit of VoIP-Pal's (formerly Digifonica's) routing system. This audit included a review of original code repositories; technical walkthroughs of deployed routing logic; interviews with key engineering personnel and founding architects; and verification of dynamic DID mapping, on-net/off-net classification, and real-time SIP generation. The audit concluded that the system was fully operational and commercially viable as of June 6, 2005.

2. Source Code Forensics – svn.tar Repository

475. A full codebase, preserved under cryptographic timestamp and hash verification, confirmed that the RBR routing technology used by VoIP-Pal was finalized and deployed on or before June 6, 2005 (Version 361); hosted in a secure repository with validated versioning and audit logs; and capable of performing all routing decisions described in the '815 and '005 patent claims.

3. Sworn Declarations – Inventors and Engineers

476. VoIP-Pal's technical leaders, including Emil Bjorsell, David Terry, and Clay Perreault, submitted declarations under oath confirming full system operability and call routing classification in live environments; deployment of the DID-based routing system on carrier-scale Digifonica platforms; and the complete mapping between claimed functionality and the patent specifications filed and granted by the USPTO.

4. Independent Expert Review – Dr. William Mangione-Smith

477. As retained in IPR proceedings (IPR2016-01198, IPR2016-01201), Dr. Mangione-Smith

reviewed code implementation; architecture design; reduction to practice; and claim mapping to operational call flow. He verified that the system fully delivered what the patents described, years ahead of the Defendants' commercial launch of Wi-Fi Calling.

5. Why VoIP-Pal's Claims Support Federal Action

478. These technical exhibits establish beyond doubt that VoIP-Pal's DID-based routing system was not speculative, undeveloped, or merely abstract. It was live, deployed, and scalable—and it was used by Defendants. Instead of seeking licensing, AT&T, Verizon, and T-Mobile utilized VoIP-Pal's technology in their IMS networks and locked access to Wi-Fi Calling behind bundled cellular contracts. VoIP-Pal's patented DID-based routing system powered the Defendants' offloading scheme, while the Defendants denied all commercial opportunity to the company that built it. This case is not about patent infringement in isolation. It is about systemic exclusion, forced tying, false advertising, and racketeering. Federal statutes were breached. Structural market harm was inflicted. A fully operational system was repurposed without consent, and VoIP-Pal—the rightful owner—was silenced. Now, this Complaint seeks full recovery under RICO § 1962(c), the Sherman and Clayton Acts, and Section 251 of the Telecommunications Act.

PLAINTIFF'S DAMAGES MODEL (\$62.84 BILLION)

A. Preliminary Damages Model and Disclaimer

479. The damages estimates provided herein represent preliminary calculations performed in good faith by the Plaintiff, VoIP-Pal. These calculations rely upon publicly available subscriber data, technical deployment records, and industry-standard pricing benchmarks. They form the foundation of VoIP-Pal's individual damages claims under the Sherman Act, the Clayton Act, the Telecommunications Act § 251, and the Racketeer Influenced and Corrupt Organizations Act

(RICO), 18 U.S.C. § 1962(c). These figures are conservative and subject to refinement by experienced damages expert report, the damages model could change once it is finalized.

480. VoIP-Pal respectfully submits these preliminary estimates to establish:

- The scale of the enterprise-level fraud executed by AT&T, Verizon, and T-Mobile;
- The direct structural and financial harm to VoIP-Pal as an excluded innovator, denied licensing, market access, and fair compensation for its foundational infrastructure;
- The factual and economic basis for treble damages under RICO and equitable relief under federal antitrust and telecommunications law.

B. \$209.47 Billion in Coordinated Enterprise unjust enrichment Fraud: The Structural Exclusion of VoIP-Pal

481. Between 2018 and 2024, AT&T, Verizon, and T-Mobile generated an estimated \$209.47 billion in “Offloading” cost savings and fraudulent billing revenue by:

- Utilized VoIP-Pal’s patented DID-based routing system in their networks with Wi-Fi Calling without license or payment;
- Offloading over 40% of mobile voice traffic onto subscriber-funded Wi-Fi connections without infrastructure investment;
- Deceiving the public by advertising Wi-Fi Calling as “no charge,” while billing full cellular voice rates and preventing VoIP-Pal from deploying or licensing its innovations.

482. VoIP-Pal’s DID-based routing system contributed to this offloading. The Defendants knew this, used it, and excluded VoIP-Pal from the market. With 97% market control, these three carriers created a closed ecosystem in which no competing VoWiFi platform—including one built by VoIP-Pal—could survive.

483. VoIP-pal is claiming its share of its patented routing claims of \$62.84 Billion excluding treble damages. The Defendants illegally tied Wi-Fi Calling to paid cellular calling and texting plans, advertised Wi-Fi Calling as “no charge,” and utilized VoIP-Pal’s routing classification system without license. This was not a one-time act. It was a six-year enterprise scheme that systematically:

- Excluded VoIP-Pal from the market;
- Offloaded over 40% of U.S. mobile voice traffic onto subscriber-funded Wi-Fi without compensation;
- And continued to bill consumers at full cellular rates, even though their calls never utilized carrier infrastructure.

484. In any system that supports Wi-Fi Calling, the practicing of VoIP-Pal’s DID claims is necessary. This is because such systems require the ability to dynamically identify on-net destinations — what is accomplished by the “private network routing message” recited in VoIP-Pal’s DID claims. The use of a subscriber database (DID record) to both classify calls as on-net or off-net and to locate the callee for on-net destinations is a necessary function in systems that enable Wi-Fi calling and cellular infrastructure offloading.

485. This damages model reflects that shared legal and technical foundation. It presents:

- A 35% infrastructure offset based on the Universal Service Fund (USF),
- A 30% apportionment to VoIP-Pal based on the use of its DID routing system,
- A common pool of damages from a shared, systemic breach under RICO, the Sherman Act, and Telecommunications Act § 251.

C. Step-by-Step: Final Damages Breakdown – Told Simply

- 486.** Step 1: Subscriber Base—373 million U.S. mobile lines were serviced by the Defendants between 2018 and 2024.
- 487.** Step 2: Subscriber Payment—\$30/month = \$360/year per subscriber.
- Annual Revenue: \$134.28 billion
 - 6-Year Total: \$805.68 billion
- 488.** Step 3: Offloading Estimate (Conservative)—40% of voice calls offloaded = \$53.71 billion/year.
- 6-Year Total: \$322.26 billion
- 489.** Step 4: Infrastructure Offset (USF-Based)—35% deduction = \$112.79 billion in total infrastructure cost.
- 490.** Step 5: Net Unjust Enrichment—\$322.26B – \$112.79B = \$209.47 billion
- 491.** Step 6: VoIP-Pal’s Contribution to Routing (30%)—VoIP-Pal patented a DID-based routing system that classified calls and is essential to cellular infrastructure offloading.
- 30% of \$209.47B = \$62.84 billion (VoIP-Pal’s damages)
- 492.** Final Damages Table (Unjust Enrichment)

Component	Annual	6-Year Total
Total Subscriber Revenue	\$134.28B	\$805.68B
Offloaded Voice Revenue	\$53.71B	\$322.26B
Less: 35% Infrastructure Offset	\$18.80B	\$112.79B
Net Unjust Enrichment	\$34.91B	\$209.47B
VoIP-Pal’s Structural Damages (30%)	\$10.47B	\$62.84B
Consumer Restitution (Remaining 70%)	\$24.44B	\$146.63B

493. RICO Treble Damages Table

Party	Base Damages	Treble Damages (3x)
VoIP-Pal	\$62.84 billion	\$188.52 billion
373M Subscribers	\$146.63 billion	\$439.89 billion
Total Enterprise Fraud	\$209.47 billion	\$628.41 billion

494. VoIP-Pal seeks:

- \$62.84 billion in structural damages as an infrastructure innovator;
- Treble damages (\$188.52 billion) under RICO and Sherman Act;
- Equitable relief to restore competition;
- Consumer restitution of \$146.63 billion through class proceedings (trebled to \$439.89B).

495. Together, the total exposure exceeds \$628 billion in enterprise-wide liability.**D. Legal Justification: What the Courts Say****496. For Subscribers:** *Eastman Kodak Co. v. Image Tech Services*, 504 U.S. 451 (1992):

“The proper focus is whether the seller has appreciable economic power in the tying product market, and whether the arrangement affects a substantial volume of commerce in the tied market.”

497. The tying here was between Wi-Fi Calling and paid cellular plans. Consumers paid for cellular access even when their calls never used towers. That deception affected over \$805 billion in consumer billing.**498. For VoIP-Pal:** *MCI Communications Corp. v. AT&T*, 708 F.2d 1081 (7th Cir. 1983):

“A monopolist’s refusal to deal with a competitor, absent a valid business justification, may constitute exclusionary conduct.”

499. VoIP-Pal was never offered licensing—despite patenting a system utilized by systems that practice offloading.

E. Damages calculation for Equitable Lien

500. Even if statutory damages compensate VoIP-Pal for its losses, they do not fully account for the unjust enrichment retained by the Defendants through their ongoing use of VoIP-Pal’s proprietary routing system. The equitable lien operates not as a duplicative award, but as a necessary restitution measure to strip illicit profits and preserve VoIP-Pal’s rightful interest in the economic benefit derived from its private innovation.

1. What does “Equitable Lien (Restatement § 56 / § 1)” mean?

501. This reference expands the legal authority by adding Restatement § 1, which outlines the general principles of restitution and unjust enrichment. Restatement § 1 states:

“A person who is unjustly enriched at the expense of another is subject to liability in restitution.”

502. Section 56 provides the basis for equitable liens:

“If a defendant has been unjustly enriched by taking or benefiting from identifiable property or value traceable to the plaintiff’s asset, the plaintiff is entitled to an equitable lien or constructive trust over those proceeds—even absent a formal contract.”

503. When read in conjunction with Section 56, the applicable standard permits judicial intervention where one party unjustly benefits from another’s contribution. Specifically, if a party—such as Defendants—derives measurable value from another’s proprietary innovation, such as VoIP-Pal’s DID-based routing system, without providing license, attribution, or compensation, and that benefit is identifiable and traceable, the Court is empowered to impose a constructive lien or equitable remedy to restore the value to its rightful owner.

504. In this case, Defendants’ internal use of VoIP-Pal’s DID-based routing system—without license or payment—resulted in substantial financial gain, market positioning, and infrastructure cost savings. The unjust enrichment is neither incidental nor abstract; it is directly tied to the systemic commercial exploitation of VoIP-Pal’s patented contributions. Accordingly, equitable relief, including the imposition of a lien or restitutionary award, is appropriate to remedy the unjust enrichment and prevent continued misappropriation.

2. Equitable Gain (Defendants’ Enrichment)

Offloading Infrastructure Savings	Equitable Lien (Restatement § 56)	Utilized VoIP-Pal’s DID-based routing system as an integral part of Wi- Fi Calling deployments to avoid cellular costs due to spectrum and cellular infrastructure	\$209.47 billion
Subscriber-derived Revenue	Equitable Lien (Restatement § 56 / § 1)	Monetized such utilization of VoIP- Pal’s DID-based routing system as an integral part of Wi- Fi Calling tied to cellular calling within billed service plans	TBD (requires expert analysis)

Subtotal– Equitable Gain			\$209.47+ billion
-------------------------------------	--	--	--------------------------

F. Why This Damages Model Is the Right One

517. The Defendants will attempt to argue that the damages model presented here is inflated, speculative, or disconnected from their real infrastructure costs. But that argument falls apart under scrutiny. This model is technically precise, economically conservative, legally sound, and structurally aligned with how telecom infrastructure and Wi-Fi Calling actually works. Here’s why this model must be accepted—and why the Court should reject any attempt to minimize or obscure the Defendants’ liability.

1. It Applies a Real-World Infrastructure Offset (USF – 35%)

518. Unlike a theoretical guess, this model applies a concrete, federally recognized benchmark—the Universal Service Fund (USF)—to calculate how much the Defendants should retain for infrastructure-related costs. The USF imposes a 30–35% contribution requirement on all telecom service providers to cover the cost of maintaining public network access. We applied the high end of that range: 35%, giving the Defendants full benefit of doubt. This deduction preempts their strongest defense—that they incurred costs to support Wi-Fi Calling—and still shows that the bulk of the profit was unjust.

2. It Uses a Conservative 40% Offloading Figure

519. Industry studies show that Wi-Fi offloading ranges between 55% and 65%, especially in urban and broadband-rich areas. However, to avoid any appearance of exaggeration, we used a flat 40% offloading estimate—well below industry norms. This ensures that every revenue number tied to

Wi-Fi Calling is understated, not overblown. The Defendants can't credibly argue that we overstated the traffic volume when we deliberately understated it.

3. It Relies on the Only Accurate Technical Model: The DID-Based Routing

Classification

- 520.** One component of this model is VoIP-Pal's DID-based routing system. Here's the technical reality—acknowledged by both regulatory filings and VoIP-Pal's patents. In any system that supports Wi-Fi Calling, the practicing of VoIP-Pal's DID claims is necessary. This is because such systems require the ability to dynamically identify on-net destinations—what is accomplished by the “private network routing message” recited in the DID claims. The use of a subscriber database (DID record) to both classify calls as on-net or off-net and to locate the callee for on-net destinations is a necessary function in systems that enable Wi-Fi calling and cellular infrastructure offloading.
- 521.** This isn't speculative. The Defendants utilized this logic into their IMS core, and that logic is essential in their system that enabled billions of voice calls to be offloaded—without ever utilizing cellular infrastructure.

4. It Incorporates Legally Mandated Apportionment Principles

- 522.** It is based on:
- Uniloc USA, Inc. v. Microsoft Corp.;
 - Akamai Techs., Inc. v. Limelight Networks;
 - MCI v. AT&T;
 - FTC v. Qualcomm.
- 523.** This model correctly apportions 30% of net unjust enrichment to VoIP-Pal, based on the role its

DID-based routing system played in the offloading process. We are not claiming 100% of the fraud—just the portion attributable to the system the Defendants used, but never licensed.

5. It Separates Consumer Harm and Innovator Harm Appropriately

524. This model makes a clear distinction:

- VoIP-Pal claims 30% of the net unjust enrichment for the unauthorized use of its patented system = \$62.84 billion;
- 373 million subscribers are entitled to the remaining 70%, for being deceptively billed for services never delivered = \$146.63 billion.

525. This dual-structured model is not only equitable—it’s judicially efficient. It shows that both the excluded competitor and the overbilled public were injured by the same illegal conduct. And because both claims arise from the same breach—forced tying, false advertising, and unlicensed use of VoIP-Pal’s system—they form the foundation of the enterprise fraud under RICO.

6. It Compares Favorably with Historic Fraud Cases

526. This isn’t just another telecom lawsuit. When measured by damages to the public, this case is the largest telecommunications fraud in U.S. history, and one of the largest corporate frauds ever uncovered:

Rank	Fraud Case	Amount
1	AT&T / Verizon / T-Mobile (Wi-Fi Fraud – Subscriber Harm Only)	\$146.63B
2	Enron	\$74B
3	Bernie Madoff	\$65B
4	Volkswagen Dieselgate	\$30B
5	Facebook/Cambridge Analytica	\$5B
6	Wells Fargo Fake Accounts	\$3.5B

527. And that’s before treble damages under RICO.

G. The Defendants’ \$200 Billion-Per-Year Gross Profit RICO Enterprise

1. One Enterprise—Three Brands: Fueled By Offloading And Exclusion Of VoIP-Pal’s Technology

- 528.** This Complaint does not allege unfair competition among independent wireless carriers. It exposes a nationwide racketeering enterprise executed by AT&T, Verizon, and T-Mobile—an enterprise whose profits depended on two unlawful pillars: the unauthorized deployment of VoIP-Pal’s patented DID-based routing technology, and the coordinated effort to block VoIP-Pal and other potential Wi-Fi market participants from entering the Wi-Fi Calling market altogether.
- 529.** VoIP-Pal’s routing technology is essential to Wi-Fi Calling. It is utilized in systems that offload traffic from cellular towers and onto subscriber-funded Wi-Fi networks. The classification, association, and routing functionality—described in VoIP-Pal’s asserted claims—was utilized in IMS cores without license. This functionality offloaded more than 40% of all U.S. mobile voice traffic, dramatically lowering infrastructure costs for the Defendants while billing subscribers as though traditional towers had been used.
- 530.** Yet the enterprise fraud did not stop with routing infrastructure. VoIP-Pal was also developing and positioned to deploy a competitive, standalone Wi-Fi Calling platform using its patented RBR and DID technologies. The Defendants preempted that competition by locking Wi-Fi Calling behind bundled cellular plans, misrepresenting it as “included” or “no charge,” and denying any licensing, interconnection, or consumer-facing options that would have allowed VoIP-Pal to enter the market.
- 531.** By preventing VoIP-Pal and others from competing and by utilizing VoIP-Pal’s routing technology without authorization, the Defendants collectively contributed to one of the largest and most lucrative racketeering schemes in modern commercial history—driving approximately

\$200 billion in gross profit annually.

2. Systemic Offloading Powered The Defendants' RICO Enterprise's Core Profit Structure

- 532.** Between 2018 and 2024, AT&T, Verizon, and T-Mobile executed an offloading scheme that routed billions of mobile voice calls over private broadband connections—not public carrier towers. These calls used VoIP-Pal's DID-based routing claims to determine call classification and complete delivery across internal IP networks.
- 533.** This routing avoided the costs of cellular spectrum, tower transmission, and switching infrastructure—yet the Defendants charged subscribers full voice service rates. The underlying technology enabled this discrepancy. And the exclusion of VoIP-Pal ensured no competitive option would challenge it.
- 534.** The Defendants' annual gross profits—estimated at \$200 billion—were sustained through infrastructure savings made possible by VoIP-Pal's routing system, and through the artificial preservation of market power by suppressing VoIP-Pal's Wi-Fi Calling platform.
- 535.** The offloading was not a side effect. It was the core business model. By preventing VoIP-Pal from competing with its own Wi-Fi Calling platform—while simultaneously deploying its DID-based routing claims without license—the Defendants created a structural profit engine that operated outside market forces and consumer choice.

3. The World's Most Profitable Telecom Fraud—And VoIP-Pal Was Locked Out

- 536.** If AT&T, Verizon, and T-Mobile are properly viewed as a RICO enterprise—as this Complaint alleges—they would rank among the most profitable corporate entities in the world:

2023 Global Gross Profit Rankings

Saudi Aramco – \$326 Billion

AT&T + Verizon + T-Mobile (RICO enterprise) – \$200 Billion

Apple – \$170 Billion

Amazon – \$162 Billion

Microsoft – \$135 Billion

Alphabet (Google) – \$115 Billion

537. The Defendants did not create standalone Wi-Fi Calling technology. What they created was a tightly coordinated structure to extract profits from subscriber-funded networks using VoIP-Pal's technology—while blocking VoIP-Pal from entering the market with its own solution.
538. This exclusion was not incidental. It was deliberate, strategic, and central to the operation of the RICO enterprise.

4. Offloading And Market Foreclosure Drove The Defendants' \$200 Billion-Per-Year Enterprise

539. The Defendants' ability to offload cellular voice traffic to Wi-Fi was not incidental to their profit model—it was the structural heart of it. That offloading made use of VoIP-Pal's DID-based routing technology without authorization. Together, the unauthorized deployment of VoIP-Pal's system and the forced tying of Wi-Fi Calling to expensive cellular bundles contributed directly to the Defendants' \$200 billion in gross annual profit. This is not hypothetical—it is the measurable result of systemic exclusion, deceptive billing, unlawful service bundling, and enterprise-level fraud. A routing system that is utilized by this scheme was developed by VoIP-Pal. The Wi-Fi networks that carried the calls were paid for by subscribers. The competitive product that could have broken the monopoly was never allowed to reach the market.

**WHY ANTITRUST, TELECOMMUNICATIONS, AND RICO STATUTES SUPPLANT
PATENT LITIGATION**

**A. Introduction: This Is Not A Patent Case—It Is A National Fraud Case Built On
Deception, Monopoly, And Structural Harm**

- 540.** This Complaint does not arise from a mere disagreement over technology ownership, nor does it seek royalties for infringement or address narrow inventorship disputes. Rather, it asserts a nationwide enterprise fraud perpetrated by AT&T, Verizon, and T-Mobile—a coordinated scheme that systematically deceived and financially harmed VoIP-Pal, the excluded innovator, every month, over a period of six years.
- 541.** At the heart of this case is one straightforward yet illegal practice: the Defendants forced consumers to purchase bundled cellular voice and texting services to access Wi-Fi Calling, deceptively marketing the feature as “no charge” while routing these calls using VoIP-Pal’s patented DID-based system. This unauthorized use occurred on the Defendants’ internal networks without license.
- 542.** This conduct goes far beyond a breach of contract or unauthorized patent use. It constitutes a multi-layered violation of federal law, encompassing the Racketeer Influenced and Corrupt Organizations Act (RICO) under 18 U.S.C. §§ 1962(c) and 1964(c); the Sherman Antitrust Act (15 U.S.C. §§ 1–2); the Clayton Antitrust Act (15 U.S.C. § 14); and Section 251(c)(3) of the Telecommunications Act (47 U.S.C. § 251(c)(3)).
- 543.** Thus, the nature and magnitude of this fraud require federal Court jurisdiction—not patent Court adjudication. The controlling law, established facts, and scope of harm all confirm this conclusion.

B. Why This Case Cannot Be Litigated In Patent Court

- 544.** Patent Court is not the appropriate forum for this action because this case does not revolve around disputes over inventorship or questions of mere infringement. Instead, it addresses how VoIP-Pal's technology was exploited by AT&T, Verizon, and T-Mobile as the foundation for a nationwide scheme of consumer deception, forced tying, and market exclusion.
- 545.** Patent Courts are structured primarily to adjudicate technical matters such as inventorship disputes, infringement determinations, and licensing royalties. They are neither designed nor empowered to resolve allegations of systemic market foreclosure, forced service bundling, or fraudulent market behavior. Moreover, they lack authority to investigate and adjudicate coordinated, criminal-level racketeering conduct involving dominant national telecom providers.
- 546.** The misconduct detailed in this Complaint includes fraudulent billing practices, false advertising, deliberate market exclusion, and coordinated concealment of essential infrastructure. Such claims squarely belong in federal district court under the RICO Statute, the Sherman and Clayton Antitrust Acts, and the Telecommunications Act. The unique scale, complexity, and severity of these violations require comprehensive judicial remedies far beyond the limited scope and jurisdiction of Patent Courts.

C. The Four Laws At Issue—And Why Each Belongs In This Court

1. The RICO Act (18 U.S.C. §§ 1961–1968)

- 547.** Under RICO, an enterprise violation occurs when entities coordinate an ongoing scheme involving systematic fraud—particularly wire and mail fraud—to generate illicit profits. Importantly, plaintiffs need not demonstrate individual reliance, only that they suffered harm due to the fraudulent scheme, as affirmed by the Supreme Court in *Bridge v. Phoenix Bond &*

Indemnity Co., 553 U.S. 639 (2008).

- 548.** Here, AT&T, Verizon, and T-Mobile operated precisely as such a coordinated enterprise. They falsely advertised Wi-Fi Calling as “included at no charge,” mandated bundling Wi-Fi Calling with cellular voice and text services, and utilized VoIP-Pal’s patented DID-based routing technology without authorization. Consequently, VoIP-Pal was systematically excluded, denied licensing, and financially harmed by an enterprise-wide racketeering scheme—constituting clear-cut fraud rather than mere patent infringement.
- 549.** This aligns directly with established precedent, notably *Sedima v. Imrex Co.*, 473 U.S. 479 (1985), confirming that systematic fraud executed as part of regular business operations constitutes RICO racketeering.

2. The Sherman Act (15 U.S.C. §§ 1–7)

- 550.** Sections 1 and 2 of the Sherman Act specifically prohibit conspiracies in restraint of trade and monopolization or attempts to monopolize, respectively. In this case, the Defendants unlawfully tied Wi-Fi Calling to mandatory cellular voice/text services, leveraging their combined market share—totaling approximately 97%—to exclude VoIP-Pal and prevent it from offering a standalone Voice-over-Wi-Fi (VoWi-Fi) platform. Their uniform refusal to offer Wi-Fi Calling as a standalone service resulted in forced consumer dependency, eliminated any competitive foothold for VoIP-Pal, and artificially inflated costs.
- 551.** This mirrors the scenario addressed in *United States v. Microsoft Corp.*, 253 F.3d 34 (D.C. Cir. 2001), which explicitly condemned product bundling practices aimed at preserving monopoly power and excluding competitors.

3. The Clayton Act (15 U.S.C. §§ 12–27)

- 552.** Section 3 of the Clayton Act explicitly bars tying or exclusive-dealing arrangements that substantially lessen market competition. The Defendants violated this statute by conditioning Wi-Fi Calling access exclusively upon the purchase of cellular voice and texting services. Through misleading language—promoting Wi-Fi Calling as “no charge”—they concealed the true cost and suppressed the emergence of competitively priced standalone VoWi-Fi alternatives, including VoIP-Pal’s platform. This directly harmed VoIP-Pal through loss of market access, licensing opportunities, and competitive standing.
- 553.** This conduct is precisely the kind found illegal in *Eastman Kodak Co. v. Image Technical Services*, 504 U.S. 451 (1992), where the Supreme Court held that tying essential services to the purchase of additional, unwanted services unlawfully restricts competition.

4. The 1996 Telecommunications Act (47 U.S.C. §§ 151 et seq)

- 554.** Under Section 251(c)(3) of the Telecommunications Act, incumbent carriers must provide nondiscriminatory, unbundled access to essential telecommunications infrastructure. The Defendants openly flouted this requirement by utilizing VoIP-Pal’s patented routing technology within their networks, without licensing or unbundling. They systematically prevented VoIP-Pal from entering the market with a lawful, standalone Wi-Fi Calling solution.
- 555.** The forced bundling scheme injured VoIP-Pal by excluding it from the market for essential telecommunications infrastructure, conduct that mirrors the exclusionary practices condemned in *MCI Communications Corp. v. AT&T*, 708 F.2d 1081 (7th Cir. 1983), where the court recognized that the denial of interconnection and access to essential facilities constitutes an unlawful restraint under the antitrust laws and the Communications Act. Consistent with the Supreme Court’s holdings in *Verizon Communications Inc. v. Law Offices of Curtis V. Trinko, LLP*, 540 U.S. 398 (2004), and the D.C. Circuit’s decision in *Covad Communications Co. v. Bell Atlantic Corp.*, 398

F.3d 666 (D.C. Cir. 2005), Defendants’ refusal to provide unbundled, nondiscriminatory access to Wi-Fi Calling infrastructure — while simultaneously utilizing VoIP-Pal’s DID-based routing technology— represents a classic example of market foreclosure prohibited under both the Telecommunications Act and antitrust principles.

THE COUNTS

A. COUNT I – Monopolization and Attempted Monopolization

- 556. Violation of Section 2 of the Sherman Act (15 U.S.C. § 2):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. The Defendants—AT&T, Verizon, and T-Mobile—collectively control over 97% of the U.S. mobile voice market, including virtually all access to commercial Wi-Fi Calling. The Defendants jointly engaged in the following three forms of anticompetitive conduct in violation of Section 2 of the Sherman Act:
- 557. Monopolization:** AT&T, Verizon, and T-Mobile jointly monopolized the market for Wi-Fi Calling through their tying, forced sale, deceptive pricing, all the while anticompetitively utilizing VoIP-Pal’s DID-based routing system in their national networks without license, compensation, or attribution. This unlawful use of VoIP-Pal’s private system played a part in the Defendants dominating the Wi-Fi Calling market while simultaneously excluding any possibility of a competing standalone VoWiFi service. This conduct mirrors the monopolization strategy found unlawful by Judge Amit P. Mehta in *United States v. Google LLC*, Case No. 1:20-cv-03010 (D.D.C.), where Google’s exclusionary control over general search distribution was ruled a violation of Sherman Act § 2.
- 558. Attempted Monopolization:** The Defendants not only suppressed VoIP-Pal’s market entry but

also eliminated all consumer demand for any competitive alternative by marketing Wi-Fi Calling as “no charge” while forcing its consumption through bundled cellular voice and text plans. This deceptive strategy eliminated price transparency, destroyed the standalone VoWi-Fi category, and ensured that VoIP-Pal’s technology could only be consumed under the Defendants’ control. As with the attempted monopolization charge upheld by Judge Mehta in the same Google case, this conduct reflects a targeted effort to eliminate potential competitors before they could gain market traction—an effort executed with specific intent and structural advantage.

559. Conspiracy to Monopolize: The Defendants acted as a coordinated enterprise, maintaining uniform contractual, technical, and billing frameworks across their networks. Each Defendant deployed the same DID-based Wi-Fi Calling routing method, refused to offer the service separately, and jointly promoted identical marketing claims that Wi-Fi Calling was “included” or “free,” thereby preventing consumers from accessing any non-carrier alternative. This parallel behavior mirrors the conduct condemned by Judge Leonie M. Brinkema in *United States v. Google LLC*, Case No. 1:23-cv-00108 (E.D. Va.), where Google’s uniform integration and exclusion of standalone access was ruled to violate Sherman Act §§ 1 and 2. It also aligns with the precedent set by Judge Amit P. Mehta in *United States v. Google LLC*, Case No. 1:20-cv-03010 (D.D.C.), where the Court found that Google violated Section 2 of the Sherman Act by maintaining monopoly power in the markets for general search and search advertising through exclusive distribution contracts and structural exclusion of rivals.

560. The Defendants’ conduct constitutes direct violations of Section 2 of the Sherman Act, and entitles VoIP-Pal to damages, injunctive relief, and all remedies available under federal antitrust law.

B. COUNT II – Predatory Pricing

- 561. Violation of Section 2 of the Sherman Act (15 U.S.C. § 2):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
- 562. Monopoly Power:** The Defendants collectively possess over 97% of the U.S. mobile voice market and maintain monopoly control over Wi-Fi Calling delivery through identical bundling schemes.
- 563. Predatory Conduct:** By falsely labeling Wi-Fi Calling as “free,” the Defendants underpriced the service to preclude competition—making it economically impossible for VoIP-Pal to enter or license their infrastructure.
- 564. Below-Cost Intent:** The Defendants did not absorb these “free” services—they passed the costs onto cellular subscribers while exploiting VoIP-Pal’s unlicensed technology in the offload of Wi-Fi Calling to incur substantial cost savings.
- 565. Injury to VoIP-Pal:** VoIP-Pal was structurally foreclosed from offering a competitive VoWiFi option.
- 566.** The Defendants’ conduct constitutes a direct violation of Section 2 of the Sherman Act, and entitles VoIP-Pal to damages, injunctive relief, and all remedies available under federal antitrust law.

C. COUNT III —Tying

- 567. Violation of Section 1 of the Sherman Act (15 U.S.C. § 1):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. The Defendants—AT&T, Verizon, and T-Mobile—collectively control over 97% of the U.S. mobile voice market. They each offer Wi-Fi Calling as a feature embedded into their cellular plans, but refuse to provide it as a standalone service.
- 568. Tying Product:** Cellular voice and texting plans.

- 569. Tied Product:** Wi-Fi Calling services, utilizing VoIP-Pal's DID-based routing system without authorization, license, or attribution.
- 570.** The Defendants have unlawfully conditioned access to Wi-Fi Calling on the mandatory purchase of bundled cellular plans, preventing the public from accessing Wi-Fi Calling as an independent or third-party service. This contractual tying arrangement unreasonably restrains trade, forecloses market entry by standalone VoWiFi providers, and eliminates the potential for direct-to-consumer offerings that could use VoIP-Pal's DID-based routing system legally and competitively.
- 571.** The conduct alleged herein mirrors the facts and legal conclusion in *United States v. Google LLC*, Case No. 1:23-cv-00108 (E.D. Va.), where Judge Leonie M. Brinkema ruled on April 17, 2025, that Google's tying of its ad server (DFP) to its ad exchange (AdX) violated Sherman Act § 1. The Court held that where a dominant company leverages control over one essential product to force consumption of a second tied product, such conduct constitutes a per se violation of federal antitrust law. In direct application to VoIP-Pal's case, the Defendants—AT&T, Verizon, and T-Mobile—leveraged their dominance over cellular voice and texting services to force consumers to accept Wi-Fi Calling as a bundled feature, while refusing to offer it separately despite its technical separability and reliance on VoIP-Pal's DID-based routing system. This refusal to unbundle access to a product that was both functionally distinct and unlawfully deployed mirrors the exact tying structure found unlawful in *Google*, confirming that the Defendants' conduct constitutes a per se tying violation under Sherman Act § 1. Similarly, the Defendants' refusal to offer Wi-Fi Calling independently—despite its technical separability—and their requirement that consumers purchase cellular access in order to access DID-based Wi-Fi Calling, constitutes a contractual and structural tying scheme in violation of Sherman Act § 1.
- 572. Anticompetitive Effect:** This tying arrangement as a per se violation or under the rule of reason

substantially foreclosed competition in the standalone VoWi-Fi market, denying innovators like VoIP-Pal any option to compete.

- 573. Injury to VoIP-Pal:** VoIP-Pal, the developer of the DID-based routing system used to deliver Wi-Fi Calling, has been foreclosed from participating in the market and denied all licensing opportunities. The public has been denied access to a competitive, lower-cost standalone service.
- 574.** The Defendants’ conduct constitutes an unreasonable restraint of trade and a per se illegal tying arrangement under 15 U.S.C. § 1, and entitles VoIP-Pal to damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

D. COUNT IV— Restraint of Trade Through Enterprise Fraud

- 575. Violation of Section 1 of the Sherman Act (15 U.S.C. § 1):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
- 576. Restraint by Contract and Conduct:** The Defendants operated in lockstep to deny all standalone Wi-Fi Calling options, requiring purchase of full cellular plans.
- 577. Anticompetitive Use of Unauthorized Technology:** The Defendants routed Wi-Fi calls using VoIP-Pal’s DID-based routing system, access to which was tied to paid cellular plans and falsely marketed as “no charge”.
- 578. Injury to VoIP-Pal:** VoIP-Pal was blocked from entering the VoWi-Fi market with a standalone Wi-Fi Calling service or licensing its DID-based routing technology in other Wi-Fi Calling deployments.
- 579.** The Defendants’ conduct constitutes an unreasonable restraint of trade through enterprise fraud under 15 U.S.C. § 1, and entitles VoIP-Pal to damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

E. COUNT V — Tying

- 580. Violation of Section 3 of the Clayton Act (15 U.S.C. § 14):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
- 581. Monopoly Power:** The Defendants collectively possess over 97% of the U.S. mobile voice market and maintain monopoly control over Wi-Fi Calling delivery through identical bundling schemes.
- 582. Tying Product:** Cellular voice and texting plans.
- 583. Tied Product:** Wi-Fi Calling services, utilizing VoIP-Pal's DID-based routing system without authorization, license, or attribution.
- 584.** The Defendants have unlawfully conditioned access to Wi-Fi Calling on the mandatory purchase of bundled cellular plans, preventing the public from accessing Wi-Fi Calling as an independent or third-party service. This contractual tying arrangement unreasonably restrains trade, forecloses market entry by standalone VoWiFi providers, and eliminates the potential for direct-to-consumer offerings that could use VoIP-Pal's DID-based routing system legally and competitively.
- 585. Anticompetitive Effect:** This tying arrangement as a per se violation or under the rule of reason substantially foreclosed competition in the standalone VoWi-Fi market, denying innovators like VoIP-Pal any option to compete.
- 586. Injury to VoIP-Pal:** VoIP-Pal, the developer of the DID-based routing system used to deliver Wi-Fi Calling, has been foreclosed from participating in the market and denied all licensing opportunities. The public has been denied access to a competitive, lower-cost standalone service.
- 587.** The Defendants' conduct constitutes an illegal tying arrangement under 15 U.S.C. § 14, and entitles VoIP-Pal to damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

F. COUNT VI — Forced Sale

- 588. Violation of Section 3 of the Clayton Act (15 U.S.C. § 14):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
- 589. Monopoly Power:** The Defendants collectively possess over 97% of the U.S. mobile voice market and maintain monopoly control over Wi-Fi Calling delivery through identical bundling schemes.
- 590. Forced Sale:** Defendants leveraged their dominance to force consumers to buy cellular voice/texting in order to access Wi-Fi Calling.
- 591. Anticompetitive Effect:** This tying arrangement as a per se violation or under the rule of reason substantially foreclosed competition in the standalone VoWi-Fi market, denying innovators like VoIP-Pal any option to compete.
- 592. No Legitimate Business Justification:** There is no economic necessity or technical limitation justifying this forced bundling. VoIP-Pal's technology (DID-based routing) is essential for standalone Wi-Fi Calling—but Defendants locked it away behind a forced sale.
- 593. Injury to VoIP-Pal:** VoIP-Pal, the developer of the DID-based routing system used to deliver Wi-Fi Calling, has been foreclosed from participating in the market and denied all licensing opportunities. The public has been denied access to a competitive, lower-cost standalone service.
- 594.** The Defendants' conduct constitutes an illegal tying arrangement under 15 U.S.C. § 14, and entitles VoIP-Pal to damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

G. COUNT VII — Price Fixing

- 595. Violation of Section 2 of the Clayton Act (15 U.S.C. § 13):** Plaintiff VoIP-Pal re-alleges and

incorporates by reference all preceding paragraphs as though fully set forth herein.

- 596. Monopoly Power:** The Defendants collectively possess over 97% of the U.S. mobile voice market and maintain monopoly control over Wi-Fi Calling delivery through identical bundling schemes.
- 597. Price Fixing Scheme:** Each Defendant marketed Wi-Fi Calling as “included” or “no charge”—but only as part of identical, bundled cellular plans.
- 598. Collusive Conduct:** All three carriers used VoIP-Pal’s DID-based routing system. All billed full cellular voice rates for Wi-Fi Calls. All refused standalone access and used identical pricing logic.
- 599. Injury to VoIP-Pal:** VoIP-Pal, the developer of the DID-based routing system used to deliver Wi-Fi Calling, has been foreclosed from participating in the market and denied all licensing opportunities. This coordinated pricing scheme eliminated competitive pressure, froze VoIP-Pal out of the market, and obscured the true cost and origin of Wi-Fi Calling delivery. The public has been denied access to a competitive, lower-cost standalone service.
- 600.** The Defendants’ conduct constitutes an illegal tying arrangement under 15 U.S.C. § 13, and entitles VoIP-Pal to damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

H. Count VIII- Enterprise-Level Tacit Collusion

- 601. Violation of Section 7 of the Clayton Act (15 U.S.C. § 18):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. The Defendants acted in coordinated alignment, maintaining uniform contract terms, technical infrastructure, and marketing language across their respective networks.
- 602. Tacit Collusion:** Each carrier offered Wi-Fi Calling only through bundled packages that included cellular voice and texting services. At no point did any Defendant permit consumers—or

wholesale resellers—to access Wi-Fi Calling as a standalone feature. All three carriers denied unbundled access, despite the fact that Wi-Fi Calling is technically separable and could have been offered independently. This parallel conduct extended downstream to the Defendants’ Mobile Virtual Network Operator (MVNO) partners. The Defendants made Wi-Fi Calling available to MVNOs only as part of bundled cellular offerings, with no option for unbundled VoWiFi resale. This bundling policy reinforced the same exclusionary terms imposed on consumers, and it ensured that MVNOs could not offer lower-cost, standalone Wi-Fi Calling alternatives—even where such offerings would have expanded competition or served economically underserved populations. Moreover, over the past decade, the Defendants have engaged in a repeated pattern of acquiring independent MVNOs that showed signs of price disruption or service innovation. These acquisitions effectively removed competitive alternatives from the market and consolidated access to wireless infrastructure under three vertically integrated brands. For example:

1. T-Mobile acquired Mint Mobile, a leading discount MVNO known for offering prepaid and BYOD (bring your own device) plans at highly competitive rates.
2. Verizon acquired TracFone Wireless, which at the time was the largest MVNO in the United States, serving over 20 million low-income and prepaid customers across brands such as Straight Talk, Net10, and SafeLink Wireless.
3. AT&T absorbed Cricket Wireless, converting it from an independent prepaid brand into a wholly owned subsidiary with restricted plan flexibility and bundled offerings aligned with AT&T’s retail strategy.

603. The effect of these acquisitions was to reduce consumer choice, suppress pricing pressure, and eliminate the potential for non-carrier entities to offer differentiated or unbundled services—such as standalone Wi-Fi Calling. What were once alternative channels for low-cost access and

technological innovation have been absorbed and reformatted to match the Defendants' uniform bundled architecture.

604. This pattern of strategic acquisition, when combined with the Defendants' refusal to offer unbundled access to Wi-Fi Calling, constitutes a direct violation of Section 7 of the Clayton Act—whose purpose is to prohibit mergers and acquisitions that substantially lessen competition or tend to create a monopoly. These tactics—denying unbundled access, enforcing identical bundling conditions across MVNOs, and eliminating emerging competitors through acquisition—demonstrate not independent market behavior, but an enterprise-level merger-like structure designed to suppress competition and maximize monopoly profits through shared market control.

605. Injury to VoIP-Pal: As a result, VoIP-Pal was structurally excluded from the market it enabled. No unbundled licensing opportunities were made available. And the downstream markets—whether retail, wholesale, or MVNO—were uniformly blocked from offering lawful, low-cost alternatives that could have benefited consumers and respected the boundaries of fair competition.

606. The Defendants' conduct constitutes an unlawful coordinated enterprise under 15 U.S.C. § 18, and entitles VoIP-Pal to damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

I. COUNT IX — Mail and Wire Fraud Based on Forced Tying and False Advertising of Wi-Fi Calling

607. Violation of Section 1962(c) of the RICO Act (18 U.S.C. § 1962(c)): Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. Defendants AT&T, Verizon, and T-Mobile constituted an association-in-fact enterprise within the meaning of 18 U.S.C. § 1961(4), engaged in a pattern of racketeering activity in violation of

18 U.S.C. § 1962(c) overcharging consumers for voice services falsely advertised as “no charge” and excluding competition in the VoWi-Fi services market.

- 608. Common Purpose:** The Defendants had a common purpose to suppress Wi-Fi Calling competition, lock in bundled cellular revenues, and anticompetitively utilizing VoIP-Pal’s DID-based routing system in their Wi-Fi Calling deployments. The Defendants engaged in coordinated conduct using identical pricing, service terms, and marketing practices, and jointly implemented two critical mechanisms across all networks, specifically, the Access Lock forcing subscribers into cellular plans to access Wi-Fi Calling and the Routing Brain utilizing VoIP-Pal’s DID-based routing system without license or fair compensation.
- 609.** In furtherance of this enterprise, Defendants engaged in repeated acts of mail fraud (18 U.S.C. § 1341) and wire fraud (18 U.S.C. § 1343). Specifically, Defendants transmitted, or caused to be transmitted, materially false and misleading representations over interstate wires—including advertisements, billing statements, service terms, and online marketing—falsely claiming that Wi-Fi Calling access was “included” or “at no charge,” when in fact access required consumers to purchase bundled cellular voice plans at standard rates.
- 610.** Defendants also used interstate communications and mail services to execute and enforce their illegal tying arrangement, contractually binding Wi-Fi Calling to the purchase of full cellular subscriptions, thereby foreclosing competition in the standalone VoWi-Fi market. These acts of mail and wire fraud were not isolated incidents but formed a continuous pattern of racketeering activity designed to deceive consumers, suppress competition, and unlawfully utilize the benefits of VoIP-Pal’s DID-based routing technology without license or compensation.
- 611. Mail fraud:** The Defendants transmitted subscriber contracts, billing statements, and deceptive marketing materials that advertised Wi-Fi Calling as “included” or “no charge.”

- 612. Wire fraud:** The Defendants distributed false and misleading digital advertisements, billing platforms, service plan descriptions, and onboarding screens designed to mislead consumers about the true nature of the infrastructure supporting their calls.
- 613. Pattern and Continuity:** The enterprise fraud persisted for six consecutive years (2018–2024), continuing through the present. It followed a consistent national pattern across all three Defendants, utilized the same internal systems, marketing scripts, billing formats, and contractual language.
- 614. Injury to VoIP-Pal:** As a direct and proximate result of Defendants’ violations of 18 U.S.C. § 1962(c), Plaintiff VoIP-Pal suffered injury to its business and property, including loss of licensing revenues, competitive exclusion from the VoWi-Fi market, and devaluation of its technological assets.
- 615.** The Defendants’ conduct constitutes a pattern of racketeering activity by a single enterprise under 18 U.S.C. § 1964(c), and entitles VoIP-Pal to treble damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

J. COUNT X — Conspiracy to Commit Mail and Wire Fraud Based on Forced Tying and False Advertising of Wi-Fi Calling

- 616. Violation of Section 1962(d) of the RICO Act (18 U.S.C. § 1962(d)):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. Defendants AT&T, Verizon, and T-Mobile conspired to violate 18 U.S.C. § 1962(c), in violation of 18 U.S.C. § 1962(d). Specifically, Defendants knowingly agreed to conduct and participate in the affairs of the RICO enterprise through a pattern of racketeering activity, including multiple acts of mail fraud and wire fraud.
- 617.** Defendants jointly agreed to falsely advertise Wi-Fi Calling as “no charge,” to tie Wi-Fi Calling

access to mandatory purchase of cellular voice services, and to conceal the true nature and cost of Wi-Fi Calling from consumers. In furtherance of the conspiracy, Defendants engaged in parallel conduct, coordinated messaging, common contractual practices, and shared technological strategies to execute the fraudulent scheme across the mobile voice market. Each Defendant knowingly participated in the conspiracy and performed overt acts in furtherance of it, including the transmission of deceptive advertisements, issuance of fraudulent billing statements, and maintenance of exclusionary network access practices. Defendants' coordinated conduct was essential to the success of the racketeering enterprise, and each Defendant benefited financially from the unlawful scheme by preserving market dominance and revenue streams.

- 618. Injury to VoIP-Pal:** As a direct and proximate result of Defendants' violations of 18 U.S.C. § 1962(d), Plaintiff VoIP-Pal suffered injury to its business and property, including loss of licensing revenues, competitive exclusion from the VoWi-Fi market, and devaluation of its technological assets.
- 619.** The Defendants' conduct constitutes a conspiracy to engage in a pattern of racketeering activity by a single enterprise under 18 U.S.C. § 1964(c), and entitles VoIP-Pal to treble damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

K. COUNT XI — Reinvestment of Racketeering Proceeds to Sustain Market Exclusion

- 620. Violation of Section 1962(a) of RICO (18 U.S.C. § 1962(a)):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. From 2018 through the present, Defendants AT&T, Verizon, and T-Mobile received hundreds of billions of dollars in revenue derived from a pattern of racketeering activity involving mail and wire fraud.
- 621.** These revenues were obtained by falsely advertising Wi-Fi Calling as "no charge," while in fact bundling the service with full-price cellular plans and deploying VoIP-Pal's DID-based routing

system without authorization. Defendants used and reinvested this racketeering income into their own commercial operations, including continued development and deployment of Wi-Fi Calling systems unauthorized utilization of VoIP-Pal's DID-based routing system, further marketing, subscriber retention, and advertising strategies designed to mislead consumers; and legal, regulatory, and structural entrenchment of the "no charge" narrative, reinforcing the exclusion of VoIP-Pal and blocking future competition. These reinvestments were not incidental—they were central to the continuation of the racketeering enterprise and allowed Defendants to expand and preserve their market control while systematically excluding VoIP-Pal from participating in the very system it enabled.

- 622. Injury to VoIP-Pal:** As a direct and proximate result of Defendants' violations of 18 U.S.C. § 1962(a), Plaintiff VoIP-Pal suffered injury to its business and property, including loss of licensing revenues, competitive exclusion from the VoWi-Fi market, and devaluation of its technological assets.
- 623.** The Defendants' conduct constitutes a conspiracy to engage in a pattern of racketeering activity by a single enterprise under 18 U.S.C. § 1964(c), and entitles VoIP-Pal to treble damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

L. COUNT XII — Maintenance of Market Control Through Racketeering Conduct

- 624. Violation of Section 1962(b) of RICO (18 U.S.C. § 1962(b)):** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. Defendants AT&T, Verizon, and T-Mobile used their coordinated racketeering activity—including mail and wire fraud—to acquire and maintain control over the national mobile voice market, particularly the VoWi-Fi market surrounding Wi-Fi Calling.
- 625.** By acquiring and maintaining control through racketeering, Defendants entrenched their market

dominance, foreclosed innovation, and blocked any competitive threat posed by VoIP-Pal's proven, deployable technology. The Defendants forced subscribers into bundled cellular plans to access Wi-Fi Calling, advertising Wi-Fi Calling as "no charge," while concealing its dependence on VoIP-Pal's DID-based infrastructure, used uniform billing, contract language, and pricing structures across all three carriers to eliminate competition, and refused to provide standalone Wi-Fi Calling access to competitor like VoIP-Pal or to license its DID-based routing system on reasonable terms to cure the unauthorized use.

- 626. Injury to VoIP-Pal:** As a direct and proximate result of Defendants' violations of 18 U.S.C. § 1962(b), Plaintiff VoIP-Pal suffered injury to its business and property, including loss of licensing revenues, competitive exclusion from the VoWi-Fi market, and devaluation of its technological assets.
- 627.** The Defendants' conduct constitutes a conspiracy to engage in a pattern of racketeering activity by a single enterprise under 18 U.S.C. § 1964(c), and entitles VoIP-Pal to treble damages, declaratory relief, injunctive orders, and all remedies available under federal antitrust law.

M. COUNT XIII — Refusal to Provide Unbundled Access to Wi-Fi Calling

- 628. Violation of Section 251(c)(3) of the Telecommunications Act of 1996:** Plaintiff VoIP-Pal alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. Under Section 251(c)(3) of the Telecommunications Act, incumbent local exchange carriers have a statutory obligation to provide unbundled access to essential telecommunications infrastructure on nondiscriminatory terms. This obligation extends to network elements necessary for the deployment of competitive voice services, including voice-over-IP and Wi-Fi-based alternatives.
- 629.** The Defendants—AT&T, Verizon, and T-Mobile—willfully and systematically violated this duty by embedding VoIP-Pal's proprietary DID-based routing system into their networks, then

refusing to unbundle or license access to that same infrastructure. Instead, they leveraged VoIP-Pal's technology to power their own Wi-Fi Calling services, which they bundled with full-price cellular plans while blocking all standalone market entry.

- 630. Injury to VoIP-Pal:** This exclusionary conduct denied VoIP-Pal the ability to interconnect, compete, or license its technology, despite possessing an independently validated, fully deployable solution. The refusal to provide access was not based on technical limitations, but on a coordinated commercial strategy designed to foreclose competition and maintain control over mobile voice infrastructure.
- 631.** Plaintiff VoIP-Pal seeks all remedies available under the Telecommunications Act, including injunctive relief, declaratory judgment, and damages arising from the Defendants' unlawful exclusionary conduct.

N. COUNT XIV – Imposition of Equitable Lien and Constructive Trust

- 632. Restatement (Third) of Restitution and Unjust Enrichment § 56:** Plaintiff VoIP-Pal re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein. This claim arises under federal common law to remedy the unjust enrichment obtained by Defendants through their prolonged and unauthorized use of VoIP-Pal's DID-based call routing system—deployed across all three networks without license, compensation, or attribution.
- 633.** Plaintiff seeks the imposition of an equitable lien and constructive trust over all revenues, savings, and assets traceable to Defendants' unlawful use of VoIP-Pal's DID-based routing system and the systemic exclusion of VoIP-Pal from the VoWi-Fi market. From 2018 onward, Defendants AT&T, Verizon, and T-Mobile utilized VoIP-Pal's patented routing infrastructure in their IMS cores without license or compensation, enabling the classification and offloading of subscriber calls from cellular infrastructure onto Wi-Fi networks. This offloading yielded approximately

\$209.47 billion in infrastructure cost savings.

- 634. Unjust Enrichment:** By deploying VoIP-Pal’s technology without authorization, and by falsely marketing Wi-Fi Calling as “included” or “no charge” within bundled cellular plans, Defendants were unjustly enriched and deprived VoIP-Pal of lawful licensing revenues, market share, and enterprise value.
- 635. Traceability:** These gains are traceable to a defined revenue stream derived from VoIP-Pal’s technical contribution, and the savings retained by avoiding licensed spectrum and tower infrastructure.
- 636.** Pursuant to equitable doctrines of restitution, including Restatement (Third) of Restitution and Unjust Enrichment § 56, VoIP-Pal seeks an equitable lien and constructive trust over the portion of Defendants’ profits and cost savings that can be traced to the unlicensed use of its routing system. Legal remedies alone are insufficient to address the scope and persistence of Defendants’ unjust enrichment and structural market foreclosure. Only the imposition of an equitable lien can restore to VoIP-Pal the full economic value of its excluded infrastructure.
- 637.** Plaintiff requests that the Court impose a constructive trust or equitable lien over the proceeds of Defendants’ fraud-enabled infrastructure cost savings, and enter any further equitable relief the Court deems necessary to prevent continued unjust enrichment.

O. Notes on the Counts

1. Count I and Count II

- 638.** Although both Count I and Count II arise under the same statutory provision—Section 2 of the Sherman Act—their underlying legal theories, market behaviors, and mechanisms of harm are distinct. They address different faces of exclusionary conduct, both of which were deployed in

tandem by AT&T, Verizon, and T-Mobile to secure monopoly control over Wi-Fi Calling and to suppress lawful market entry by competitors such as VoIP-Pal.

639. In Count I, the violation lies in the Defendants’ abuse of structural market control. The allegations focus on how the Defendants embedded VoIP-Pal’s proprietary DID-based routing system into their nationwide networks without consent or compensation, and then used that unlicensed infrastructure in their domination of access to and the commercial delivery of Wi-Fi Calling. The Defendants did not merely succeed in the VoWi-Fi market—they fortified their positions through conduct that eliminated competition by design. VoIP-Pal was not outperformed; it was blocked and foreclosed from all opportunities. There was no independent path into the VoWi-Fi market, no licensing framework for VoIP-Pal’s technology surrounding VoWi-Fi, and no competitive channel to other competition on the VoWi-Fi as the Defendants acted as one and eliminated all others. What existed instead was a coordinated strategy to monopolize Wi-Fi Calling using their existing market power with cellular calling and texting and to preempt the development of any standalone VoWiFi offering.

640. Moreover, this structural exclusion by the Defendants was accompanied by deceptive tactics—falsely advertising Wi-Fi Calling as “included” or “free” while in reality tethering it to mandatory cellular bundles, utilizing VoIP-Pal’s DID-based routing system in offload Wi-Fi Calling at substantial cost savings, and creating a perception in the VoWi-Fi market that no alternative could, or should, exist. These acts reflect classic monopolization and attempted monopolization: abuse of dominance not through merit, but through suppression of entry, distortion of consumer perception, and control over both access and demand.

641. Count II, on the other hand, focuses on the Defendants’ pricing strategy. It alleges a different—but equally potent—form of exclusion: predatory pricing. Here, the conduct challenged is the

deliberate underpricing of Wi-Fi Calling in the VoWi-Fi market—offering it to consumers at a falsely advertised rate of “no charge”—while simultaneously tying its real costs onto required cellular bundle purchased and utilizing VoIP-Pal’s DID-based routing system without license in offloading Wi-Fi Calling at substantial savings, none of which was used to reduce consumer costs nor reimburse consumers for the use of their Wi-Fi networks. The Defendants did not make Wi-Fi Calling free because they could deliver it more efficiently. They made it appear “free” in order to render it unmatchable by any legitimate competitor and perpetuate their existing market dominance in cellular calling and texting.

642. Predatory pricing under Sherman Act § 2 arises when a dominant firm deliberately sets prices below cost—not to benefit consumers in the long run, but to destroy competition in the short term. And that is precisely what happened here. VoIP-Pal, despite having developed the very DID-based routing system the Defendants deployed in their Wi-Fi Calling systems, could not enter the VoWi-Fi market and do the same nor attract licensing partners that desired to do the same, because no consumer or carrier could compete with a product that was being falsely advertised as “free” and marketed as a “no charge” addon. This was not a sustainable or market-based discount—it was a distortion intended to block lawful entry and ensure that no standalone VoWi-Fi option could gain traction.

643. The economic harm from this strategy was severe and twofold. First, it prevented VoIP-Pal from licensing its infrastructure at fair market value. Second, it undermined the possibility that consumers would ever see Wi-Fi Calling as a product with independent value—because its pricing had been rigged from the outset. Even as the Defendants profited from the infrastructure savings achieved by offloading traffic over VoIP-Pal’s routing technology, they masked the true cost structure from the public and used those savings to fund a below-cost pricing scheme that no

competitor could mirror without incurring immediate and unsustainable losses.

644. In sum, Count I addresses monopolization through structural foreclosure, while Count II addresses monopolization through price suppression. The former is built on control of infrastructure and access; the latter, on manipulation of price and perception. Both are exclusionary. Both are unlawful. And both reflect a coordinated strategy to deny VoIP-Pal the ability to operate in the VoIP-Pal market it sought to pioneer. Together, these counts expose the dual pillars of the Defendants' conduct: monopolization by design, and predation by pricing. Each independently violates Section 2 of the Sherman Act and together they tell a full story of technological theft, consumer deception, and market elimination.

2. Count III and Count IV

645. While both Count III and Count IV are brought under Section 1 of the Sherman Act (15 U.S.C. § 1), they allege fundamentally different forms of anticompetitive conduct—one grounded in product-structural coercion, the other in enterprise-wide fraudulent restraint of trade. Count III targets coercion through contractual tying: a structural bundle that conditions one service (Wi-Fi Calling) on the mandatory purchase of another (cellular voice/texting). Count IV targets restraint through enterprise deception: a conspiracy to mislead the public about the nature, cost, and availability of Wi-Fi Calling through coordinated marketing, concealed routing practices, and inflated billing schemes. Count III is about denial of access.

646. Count IV is about denial of truth. Together, they describe a unified enterprise fraud that denied 373 million American consumers both the right to choose and the right to know. Each count stands independently under the law. Together, they tell the full story of a marketplace designed not to compete, but to control—built not on innovation, but on misinformation.

647. Thus, while both counts arise under the same statutory provision, they address very different legal

theories and forms of exclusion. Count III targets coercive product structure—a classic tie that conditions one service on the purchase of another. Count IV targets coordinated fraud and concealment—a broader enterprise scheme designed to prevent any market demand from forming around standalone, lawful alternatives. Together, they reveal a dual-layered anticompetitive strategy: one contractual, the other conspiratorial; one structural, the other deceptive.

3. Count V and VI

- 648.** Although both Count V and Count VI arise under the same provision—Section 3 of the Clayton Act (15 U.S.C. § 14)—they allege two separate and legally distinct forms of anticompetitive conduct. Section 3 of the Clayton Act prohibits sellers from conditioning the sale of goods or services in a way that may substantially lessen competition or create a monopoly. Specifically, it forbids any agreement or condition by which a purchaser is denied the ability to deal with or choose among competing goods. While this statutory language covers both tying and forced sales, the conduct alleged in each count targets different aspects of the Defendants’ unlawful bundling scheme.
- 649.** Count V alleges a traditional tying arrangement. Here, the Defendants leveraged consumer demand for Wi-Fi Calling, a product that could be independently delivered over broadband networks, to compel the purchase of bundled cellular voice and texting services. The Defendants refused to offer Wi-Fi Calling as a standalone service. Instead, they conditioned access to it on the mandatory purchase of a full cellular plan. This denial of choice eliminated the market for independent Wi-Fi Calling and ensured that no competitive or unbundled offerings could emerge. VoIP-Pal, which developed the underlying DID-based routing system utilized in the Defendants’ Wi-Fi Calling deployments, was excluded entirely from this artificially closed market. The harm alleged in this count is market foreclosure by conditioning—consumers had no ability to access

Wi-Fi Calling without also purchasing a service at a cost they might not otherwise have chosen.

650. Count VI, by contrast, addresses a different but complementary form of coercion: forced sale.

While tying focuses on the consumer being compelled to buy Product B to get Product A, forced sale describes the inverse—where the consumer is forced to accept Product B as part of Product A, with no option to decline. In this case, the Defendants used their dominance over cellular voice and texting services to force access to Wi-Fi Calling in the sale of every plan. Access to Wi-Fi Calling without a paid cellular calling plan was not optional. Consumers who might not want, need, or use cellular calling upon which access to Wi-Fi Calling was condition but were still required to pay for it as part of their bundled service. There was no opt-out, no price transparency, and no separate tier available. Access to Wi-Fi Calling was embedded with cellular calling and cellular calling imposed onto consumers—transforming what should have been a feature of consumer choice into a mandatory cost component. Instead of offering standalone Wi-Fi Calling without the required cellular service purchase, the Defendants required every subscriber to have access cellular calling in order to access Wi-Fi Calling.

651. The anticompetitive impact of this practice is profound. By forcing access to Wi-Fi Calling into every paid plan, the Defendants not only inflated the price of their market dominant offerings on cellular calling and texting, but they also removed the ability of competitors to offer a cheaper, Wi-Fi-only alternative. There was no market path for standalone VoWiFi to be priced transparently or to compete on its own terms. The only available product was a bundled one, and the only route to Wi-Fi Calling was through the Defendants' full-service plans. For consumers, this meant paying more for a service. For VoIP-Pal, it meant exclusion from any viable licensing or market-access channel.

652. This forced bundling also suppressed market signals that would have otherwise created demand

for innovation. If Wi-Fi Calling had been offered transparently and separately, both consumers and third-party providers could have evaluated it on its own merit. They could have compared plans, features, or even performance across providers. But instead, the Defendants imposed a model that eliminated comparison shopping and cemented their lock on the entire voice services chain. That restraint—concealed through bundling—is not only commercially harmful, it is structurally exclusionary.

4. Count XIV

- 653.** Although Count XIV is framed under federal common law and the Restatement (Third) of Restitution and Unjust Enrichment—including the remedial authority granted by § 56—it is not merely an equitable fallback. Rather, it arises directly from the Defendants’ statutory breaches under the RICO, Sherman, Clayton, 1996 Telecommunications Acts. The conduct giving rise to unjust enrichment here is not an accidental omission or a contractual oversight—it is the byproduct of deliberate, coordinated, and unlawful violations of federal law that denied VoIP-Pal its lawful place in the VoIP-Pal market and its financial stake in the Defendants’ Wi-Fi Calling infrastructure that utilized VoIP-Pal’s DID-based routing system without authorization. The unauthorized use of VoIP-Pal’s DID-based call routing system is not only technically indispensable for delivering Wi-Fi Calling—it is also traceable, proven, and confirmed through public carrier filings and FCC documentation. Yet despite deploying this infrastructure across all three major networks, the Defendants never licensed the technology, never compensated VoIP-Pal, and actively worked to conceal its role in powering their networks.
- 654.** This conduct constitutes more than equitable misconduct—it qualifies as a statutory breach because the unjust enrichment was enabled through conduct that violated multiple federal statutes:

- Under Sherman Act § 2, the Defendants utilized VoIP-Pal's DID-based routing system in their efforts to monopolize and control the Wi-Fi Calling market, while simultaneously excluding VoIP-Pal from that market. The Defendants deprived an innovator of licensing revenue and foreclosed competition by embedding VoIP-Pal's DID-based routing system into a closed price-fixed ecosystem, refusing any form of unbundled access.
- Under Clayton Act § 3, the Defendants leveraged tying Wi-Fi Calling to bundled cellular plans, all the while utilizing VoIP-Pal's DID-based routing system in their Wi-Fi Calling Deployments, eliminating independent consumer access and suppressing the potential for standalone Wi-Fi Calling utilizing VoIP-Pal's DID-based routing system to be lawfully adopted by other carriers or MVNOs or independent suppliers.
- Under the Telecommunications Act § 251(c)(3), the Defendants refused to offer interconnection and unbundled access to Wi-Fi Calling utilizing VoIP-Pal's DID-based routing systems—even as they incorporated that functionality into their own regulated networks. This violated the Act's core requirement that incumbents provide access to non-proprietary network elements on just, reasonable, and nondiscriminatory terms.
- Under RICO (18 U.S.C. § 1962(c)), the Defendants engaged in enterprise-level deception to conceal their use of VoIP-Pal's technology, submitting fraudulent network descriptions to regulators, billing consumers for cellular tower services tied to Wi-Fi Calling while Wi-Fi calls were routed over Wi-Fi, and transmitting these representations through wire and mail channels. The unjust enrichment claimed in Count XIV stems directly from these RICO predicate acts, which magnified the financial harm and preserved unlawful profits.

655. As confirmed by § 56 of the Restatement, when there is no adequate remedy at law to fully compensate a plaintiff for structural exclusion, lost licensing markets, and reputational harm, the

Court may impose an equitable lien or constructive trust over the ill-gotten proceeds. Here, VoIP-Pal asserts that the \$64.84 billion in traceable infrastructure cost savings retained by the Defendants represents its rightful stake in a market it was excluded from—not due to competition, but due to coordinated illegality. This figure, grounded in the proposed damages model, is not speculative: it is the product of measurable offloading behavior, cost avoidance, and exclusion-driven enterprise gain.

- 656.** Therefore, Count XIV does not stand apart from the statutory counts—it reinforces them. It translates the financial consequence of the statutory violations into a form of restitution that preserves jurisdiction over those gains and enables the Court to act even if treble damages are delayed or bifurcated. It also ensures that, while litigation proceeds under the Sherman, Clayton, RICO, and Telecommunications Acts, the proceeds of that misconduct do not vanish or remain shielded from equitable accountability.

**CLOSING ARGUMENTS: THE CASE UNDER RICO, ANTITRUST,
TELECOMMUNICATIONS LAW, THE UNAUTHORIZED DEPLOYMENT OF DID-
BASED CLAIMS, AND THE CLAIM FOR UNJUST ENRICHMENT AND
EQUITABLE LIEN**

**A. The Enterprise Scheme: RICO, Antitrust, And Telecom Liability Rooted In DID-
Based Infrastructure Theft, Tying, and Predatory Pricing**

- 657.** AT&T, Verizon, and T-Mobile formed an association-in-fact enterprise that unlawfully exploited and anticompetitively utilized Direct Inward Dialing (DID)-based routing systems—technology they did not license. The scheme rested on three pillars of corporate misconduct:

- Forced Tying of Wi-Fi Calling to cellular calling/texting;

- False Advertising of Wi-Fi Calling as “no charge”;
- Unauthorized Deployment of DID-based routing claims essential to offloading and avoiding cellular infrastructure costs.

658. Together, these acts constitute a deliberate pattern of racketeering activity under 18 U.S.C. § 1961(1)(B) involving mail fraud, wire fraud, and fraud-based antitrust exclusion—precisely the kind of conduct the RICO statute (18 U.S.C. § 1962(c)) was designed to punish. Moreover, this pattern of racketeering activity by an association-in-fact intent on preserving its monopoly on the VoWi-Fi market lays the foundation for the kind of antitrust and anticompetitive conduct the Clayton and Sherman Acts were designed to punish.

B. The Excluded Innovator: How VoIP-Pal Was Blocked From The VoWi-Fi Market

- 659.** VoIP-Pal is the sole plaintiff in this action—the inventor of the DID-based call routing system unlawfully deployed by the Defendants. Rather than license this technology, AT&T, Verizon, and T-Mobile utilized VoIP-Pal’s innovations in their IMS infrastructure, contributing to the routing of billions of calls over subscriber-funded Wi-Fi, and falsely advertised the resulting feature as “included” or “no charge.”
- 660.** VoIP-Pal was denied every form of commercial participation. The Defendants never negotiated licensing access. The Defendants simultaneously blocked VoIP-Pal’s RBR-based Wi-Fi Calling platform from entering the market.
- 661.** The result was total market foreclosure for VoIP-Pal and \$209.47 billion in infrastructure savings across the three carriers, entirely generated by the offloading of voice traffic using VoIP-Pal’s DID-based routing system. This conduct satisfies all statutory elements of a RICO violation under 18 U.S.C. § 1962(c), and supports antitrust liability under the Sherman Act, the Clayton Act, and Section 251(c)(3) of the Telecommunications Act.

C. The Undisputed \$209.47 Billion Fraud: Offloading Costs Through Enterprise Misconduct

- 662.** From 2018 to 2024, the Defendants offloaded hundreds of billions of voice calls onto Wi-Fi networks and relied on their systems which utilized VoIP-Pal’s DID-based routing technology that was never licensed. The result? A \$209.47 billion savings windfall—directly tied to fraudulent conduct. Consumers continued to pay full cellular prices because access to Wi-Fi Calling was contractually tied to the purchase of traditional cellular voice and texting services. Defendants required consumers to maintain active cellular voice plans in order to access Wi-Fi Calling, regardless of whether the consumer primarily used their own Wi-Fi networks to complete calls. The carriers’ billing systems treated all calls—whether transmitted over carrier-owned cellular towers or consumer-funded Wi-Fi connections—as part of the bundled cellular service for which consumers were charged standard rates.
- 663.** Defendants further reinforced this pricing structure by marketing Wi-Fi Calling as “included” or “no charge,” misleading consumers into believing that Wi-Fi Calling was a free benefit rather than a feature locked behind a mandatory paid subscription. In truth, consumers were paying for the infrastructure use associated with cellular voice services even when their calls were routed over private broadband networks with no use of carrier-owned towers. As a result, consumers bore the full financial burden of bundled cellular service plans without receiving a corresponding reduction in cost when Defendants offloaded traffic onto consumer-funded Wi-Fi networks — saving the carriers billions while preserving supracompetitive billing rates.
- 664.** As a result, VoIP-Pal was blocked from entering a market for which its DID-based routing system was utilized. Moreover, institutional investors benefited from profits tied to the Defendants’ fraud and exclusion. This is systemic racketeering. These facts also support VoIP-Pal’s claim

for **unjust enrichment and the imposition of an equitable lien** as set forth under § 56, securing all traceable financial gains retained by the Defendants from their unlawful use of VoIP-Pal's routing technology.

D. Dismantle The Enterprise And End The Fraud

665. This case represents the most sweeping and structured telecommunications fraud in modern U.S. history. The Defendants conspired to:

- Defraud VoIP-Pal by deploying its DID-based routing claims without license;
- Utilize the patented technology in offloading, saving billions in operational costs;
- Block VoIP-Pal's Wi-Fi Calling service from reaching the public;
- Conceal the full extent of the scheme through false advertising and enterprise-wide coordination.

666. The enterprise structure is clear. The fraud is massive. The damage is quantifiable. The Plaintiff requests injunctive and equitable relief requiring the Defendants to unbundle Wi-Fi Calling, acknowledge their use of VoIP-Pal's DID-based infrastructure, and cease any further deployment of the technology without full license and compensation. VoIP-Pal seeks compensatory, enhanced, and treble damages under RICO and antitrust law, representing the full measure of market exclusion, lost licensing revenue, reputational harm, and **unjust enrichment derived from the unauthorized use of its technology—subject to lien-based recovery and restitution as authorized under § 56.**

DEMAND FOR JURY TRIAL

667. Under Rule 38 of the Federal Rules of Civil Procedure and Local Rule 38(a), Plaintiff demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

668. WHEREFORE, Plaintiff VoIP-Pal.com Inc., respectfully prays for judgment against Defendants AT&T Inc., Verizon Communications Inc., and T-Mobile US Inc., jointly and severally, as follows:

A. Conduct Remedies

669. Injunctive Relief: Issue an order enjoining Defendants from continuing their anticompetitive practices, including but not limited to illegal tying and bundling, exclusive dealing, price fixing, and predatory pricing strategies.

670. Unbundling of VoWi-Fi Services: Mandate that Defendants immediately unbundle compulsory VoWi-Fi calling and texting services from cellular calling and texting services, thereby allowing competitors, including VoIP-Pal, to independently offer alternative VoWi-Fi options.

671. Third-Party Interoperability: Compel Defendants to facilitate third-party interoperability on native dialer and messaging applications for both VoWi-Fi and mobile data services, enabling VoIP-Pal and others to integrate competitive offerings.

672. Separate Service Purchase: Ensure Defendants allow subscribers to purchase VoWi-Fi, mobile data, and texting as separate services from competing networks, facilitating fair market access for innovators.

673. Disclosure and Compensation: Order the cessation of all offloading of cellular calls and data onto Wi-Fi networks without full disclosure and fair compensation to infrastructure innovators, including VoIP-Pal.

B. Monetary Damages

674. Compensation for Financial Harm: Award damages to VoIP-Pal for the harm suffered as a

result of being structurally excluded from the Wi-Fi Calling and mobile data services markets, including lost licensing revenue, lost commercial opportunity, and reputational harm.

- 675. Damages for Price Fixing:** Compensate VoIP-Pal for damages suffered due to the Defendants' uniform price-fixing practices that precluded legitimate market entry.
- 676. Lost Opportunity and Value:** Award damages for VoIP-Pal's lost opportunity to deploy or license its standalone VoWi-Fi services, and the resulting diminution in commercial and market value.
- 677. Enhanced Damages:** Grant enhanced or treble damages as provided under 15 U.S.C. § 15a, and supplemental damages for any continuing post-verdict anticompetitive conduct.
- 678. Reimbursement of Legal Costs:** Order Defendants to pay all attorneys' fees and costs incurred by VoIP-Pal in pursuing this action.

C. Specific Monetary Damages

- 679. Compensation for Technology Misuse:** Award damages to VoIP-Pal for the Defendants' unauthorized deployment of DID-based and RBR-based routing claims that is essential in systems that offloading calls from cellular infrastructure. VoIP-Pal, as an inventor of a routing system that is utilized in the enterprise fraud, claims a structural 26.3% share of the Defendants' \$209.47 billion enterprise-wide gain—equivalent to \$62.84 billion. This figure is based not on subscriber count but on infrastructure creation and commercial exclusion. VoIP-Pal built the system, was denied access to the market, and suffered direct structural harm. The remaining 73.7% share is reserved for restitution sought in the parallel class action complaint on behalf of consumers.

D. Treble Damages

- 680.** VoIP-Pal requests an award of treble damages under both the Clayton Act (pursuant to Section 4

of the Clayton Act (15 U.S.C. § 15)) and the Racketeer Influenced and Corrupt Organizations Act (RICO) (warranted under 18 U.S.C. § 1964(c) of the RICO Act).

E. Behavioral Remedies

- 681. Facilitation of Competition:** Require Defendants to enable VoIP-Pal and other competitors to integrate VoWi-Fi and mobile data services with carrier infrastructure on fair, non-discriminatory terms.
- 682. Restoration of Competitive Conditions:** Enjoin the use of all practices that block VoIP-Pal's entry into the mobile voice and data markets.
- 683. Structural Remedies:** Consider corporate restructuring, asset divestiture, or operational separation if necessary to restore functional market access and eliminate the enterprise-level exclusion of VoIP-Pal.

F. Restitution and Other Equitable Remedies

- 684. Monetary Restitution:** Award direct monetary restitution to VoIP-Pal for harm and market exclusion under 15 U.S.C. § 15(a).
- 685. Disgorgement of Profits:** Order a full accounting and disgorgement of profits earned through the unauthorized use of VoIP-Pal's DID-based routing system and mobile communications framework.
- 686. Equitable Lien:** Plaintiff VoIP-Pal respectfully seeks a judicial declaration that the equitable lien and restitution awarded herein are cumulative and non-duplicative of any statutory damages awarded under the Sherman Act, Clayton Act, Telecommunications Act § 251, or the RICO statute. This lien shall secure all traceable financial benefits retained by the Defendants through their unauthorized use, deployment, and monetization of VoIP-Pal's DID-based routing system—

including, but not limited to:

- Infrastructure cost savings derived from unauthorized offloading between 2018 and 2024;
- Subscriber revenue traceable to services powered by unlicensed use of VoIP-Pal's DID-based routing functionality;
- The unjust enrichment flowing from Defendants' commercial integration of VoIP-Pal's technology into their mobile networks, billing structures, and STIR/SHAKEN compliance operations.

687. VoIP-Pal requests an order requiring Defendants to disgorge all revenues, profits, and infrastructure cost savings traceable to the unauthorized use of its proprietary DID-based routing system, and to remit those amounts—totaling no less than \$64.84 billion, and subject to treble damages under RICO (18 U.S.C. § 1964(c)) for a total of \$194.52 billion—to VoIP-Pal under long-standing principles of equitable restitution and unjust enrichment.

688. Plaintiff further requests that the Court establish a constructive trust or alternative equitable enforcement mechanism over all such revenues, profits, subscriber billing flows, and infrastructure-related cost savings. This trust shall preserve VoIP-Pal's equitable and legal interest in those proceeds and ensure that the Defendants do not dissipate or conceal such gains during the pendency and execution of this judgment.

689. Plaintiff also seeks a judicial declaration that the equitable lien and restitution awarded herein shall remain enforceable regardless of whether the disgorged amounts exceed any statutory damages awarded under the Sherman Act, Clayton Act, Telecommunications Act, or RICO. This equitable relief shall operate in parallel to statutory recovery, ensuring full compensation for VoIP-Pal's exclusion, market displacement, and uncompensated technology deployment.

690. An order requiring Defendants to disgorge all revenues, profits, and cost savings traceable to the

unauthorized use of VoIP-Pal's DID-based routing system, and to remit such amounts, or their equivalent, to Plaintiff under principles of equitable restitution and structural market correction.

- 691.** An order establishing a constructive trust or alternative equitable mechanism over said revenues and gains, to preserve VoIP-Pal's legal and equitable interest during the pendency of proceedings, judgment enforcement, and any appellate review process.
- 692.** Such other and further equitable relief as the Court deems just, proper, and necessary to:
- Prevent ongoing unjust enrichment by the Defendants;
 - Ensure VoIP-Pal is restored to its rightful economic and market position;
 - Reaffirm that infrastructure developers may not be excluded from their own technologies once embedded into national network platforms without license or attribution.

G. Criminal and Civil Penalties

- 693. Imposition of Penalties:** Refer the matter to appropriate enforcement authorities for the imposition of civil and criminal penalties under federal antitrust law.
- 694. Declaration of Violations:** Declare that Defendants and their officers have committed unlawful acts under the Sherman Act (15 U.S.C. § 1), the Clayton Act (15 U.S.C. § 14), and the RICO Act (18 U.S.C. § 1962).

H. Statutory Extension of the Damages Period

- 695. Extended Damages Window:** Extend the applicable limitations period due to the Defendants' ongoing use of VoIP-Pal's infrastructure and the delayed discovery of systemic market exclusion and fraud. Such extension is warranted under the doctrine of fraudulent concealment and continuing violation.

I. Other Relief

- 696. Prejudgment and Post-Judgment Interest:** Award interest on all damages awarded, at the maximum rate allowed by law, to ensure VoIP-Pal is fully made whole.
- 697. Additional Remedies:** Grant any additional or alternative relief the Court deems just and equitable in light of the full scope of Defendants' unlawful conduct.
- 698. Special Master and Oversight:** Appoint a Special Master to oversee Defendants' compliance with injunctive and structural remedies.
- 699. Public Acknowledgment and Education:** Require Defendants to publicly acknowledge their misconduct and to fund educational initiatives to inform the public and potential competitors of their rights under telecom, antitrust, and RICO law.
- 700. Permanent Injunction:** Permanently bar the Defendants from engaging in any future conduct that violates VoIP-Pal's market access rights or federal competition statutes.
- 701. Attorneys' Fees:** Order full reimbursement of VoIP-Pal's legal costs, expert fees, and all associated litigation expenses.

Dated: April 22, 2025

Respectfully submitted,

/s/ Travis Pittman

Travis Pittman (D.C. Bar No. 1016894)
Local Counsel for Plaintiffs
HOLMES, PITTMAN & HARAGUCHI, LLP
1140 3rd St. NE
Washington, DC 20002
(202) 329-3558
jtpittman@hphattorneys.com

Sean Parmenter (CA Bar No. 233144)
Lead Counsel for Plaintiffs
PARMENTER INTELLECTUAL PROPERTY
LAW, PLLC
1401 21st St, Suite #10724
Sacramento, CA 95811
(925) 482-6515
sean@parmenterip.com

ATTORNEYS FOR PLAINTIFFS