

## **Notification of intention to grant permission under paragraph 2.6.4 of the PSA Code of Practice to providers operating SMS virtual chat services enabling the provision of such services without strict adherence to Requirement 3.2.12**

### **Background**

Paragraph 2.6.4 of the PSA Code of Practice (15<sup>th</sup> edition) (“the Code”) allows, following consultation, that any Requirement set out in Section 3 or obligation in any other part of the Code can be met by means other than strict adherence to such Requirement or obligation.

General permission for relevant PRS providers to operate services by means other than strict adherence to the Code provisions may be given subject to conditions. Such permission can be withdrawn or varied by the PSA subject to the giving of reasonable notice.

This Notice sets out the details of the general permission and the criteria that providers must meet to be allowed to operate under the general permission.

### **Details of the permission**

Providers of SMS Virtual Chat Services are permitted to operate SMS virtual chat services by means other than strict adherence to Requirement 3.2.12 of the Code.

- service users must be sent a receipt as soon as the consumer has spent £10 (inclusive of VAT) and at every £10 (inclusive of VAT) of spend thereafter.
- the receipt must be an SMS sent to the consumer’s mobile handset, to the number against which the charge has been applied and must be sent separately from the service or any promotion.
- the receipt must set out:
  - the name of the service as registered with the PSA
  - the name and contact details of the intermediary provider or merchant provider responsible for customer care and complaints
  - the total amount that has been charged as each £10 (including VAT) threshold is reached: and
  - where the service is peer to peer, clear instructions on how to exit the service.

For the avoidance of doubt, receipting via this general permission achieves the requirement set out in Annex 1, 1.7(a), therefore additional spend reminders at £10 intervals (inclusive of VAT) are not required.

This permission only applies to providers of SMS Virtual Chat Services for the provision of SMS Virtual Chat Services.

A breach of any condition imposed in relation to permission granted by the PSA under paragraphs 2.6.2-2.6.4 shall be treated as a breach of the Code. The seriousness of any such breach shall be determined by reference to any relevant procedures published by the PSA from time to time.

The PSA reserves the right following reasonable notice to withdraw or vary the operation of this permission.