

IN THE PHONE-PAID SERVICES AUTHORITY TRIBUNAL

Case Number: 191951

BETWEEN:

PHONE-PAID SERVICES AUTHORITY LIMITED

EXECUTIVE

V

TELECOM2 LIMITED

RESPONDENT

On the matter being considered by the Phone-Paid Services Authority ('PSA') under case number 191951

AND UPON the parties having agreed breaches of the PSA 14th and 15th Editions of the Code of Practice as set out within the Statement of Facts appended as a Schedule to this agreement, and appropriate sanctions and administrative costs to be imposed on the Respondent to dispose of this matter:

It is agreed that

1. The alleged breaches of the 14th and 15th Edition of the Code of Practice as set out within the Statement of Facts appended as a Schedule to this agreement shall be upheld in line with paragraphs 5.5.1. and 5.5.2 of the PSA 15th Edition of the Code of Practice ('the Code').
2. The following sanctions shall be imposed in respect of the agreed breaches and severity:
 - a) Formal reprimand pursuant to paragraph 5.8.5(b) of the Code.
 - b) A fine of £255,000 pursuant to paragraph 5.8.5(d) of the Code comprised of the following amounts for each breach:
 - i. Breach 1 (Risk assessment and Control pursuant to paragraph 3.1.3 (a) and (b) of the 14th Edition of the Code of Practice and paragraph 3.9.2 of the 15th Edition of the Code of Practice) £180,000. The agreed severity of this breach is very serious.
 - ii. Breach 2 (failing to provide information pursuant to 4.2.2. of the 14th Edition of the Code of Practice £75,000. The agreed severity of this breach is serious.
 - c) A compliance audit pursuant to paragraph 5.8.5(k) carried out by a third party approved by the PSA and to a standard prescribed by the PSA, the costs of such audit to be paid by the Relevant Party. The audit must be completed and the recommendations implemented within 12 months. Telecom2 agrees not to resume its

ICSS services until completion of the audit.

3. The parties agree that the overall severity of the case is very serious.
4. The Respondent agrees to pay the Executive's administrative fees in the sum of £13,977.50.
5. The Parties agree that the Respondent is liable for the payment of the fine and administrative fee specified at paragraphs 3(b) and 4 of this agreement.
6. The Respondent agrees to pay and/or to arrange for a third party to make payment of, the fine and administrative fee specified at paragraphs 3(c) and 4 of this agreement within 30 days of publication of this agreement and Schedule.
7. The parties agree that no further regulatory action shall be taken in respect of the Respondent concerning any matter set out within the Schedule to this agreement save for circumstances in which the Respondent fails to comply with any sanction imposed including any requirements for payment as specified within this agreement.

Signed on behalf of the PSA:

Name (printed):

[REDACTED]

Signature:

[REDACTED]

Role: Engagement and Enforcement Manager

Date: 21 August 2024

Signed on behalf of Telecom2 Limited:

Name (printed):

[REDACTED]

Signature:

[REDACTED]

Role:

CHAIRMAN

Date:

22/08/24