

15/002 Findings of Non-Compliance with the Premium Rate Services (“PRS”) Licence Conditions – Modeva Networks

Context and Background

1. In June 2014, ComReg initiated an investigation into the provision of the 7th Sense Psychics Premium Rate Service (“PRS”) provided, at that time, by the PRS provider Modeva Networks (“Modeva”), and currently by Psytech Digital, in accordance with Section 9 of the Communications Regulations (Premium Rate Services and Electronic Communications Infrastructure) Act, 2010¹ (“the Act of 2010”) and Sections 10(1)(d)(ii) and 12(1)(d) of the Communications Regulation Act, 2002, as amended² (“the Act of 2002”).
2. The Modeva Networks’ 7th Sense Psychics PRS is a PRS whereby customers can call the service, select a tarot reader and get a tarot reading. It is charged at €2.44 per minute when accessed via one of the relevant PRS numbers - the number range is 1580 777000 - 1580 777999.
3. ComReg engaged with Modeva Networks detailing the alleged breaches of the ComReg Code of Practice for Premium Rate Services¹ (“the Code of Practice”) and of the Communications Regulation (Licensing of a Premium Rate Services) Regulations 2012² (“the Regulations”).

Findings of Non-Compliance

4. Following this investigation ComReg found that the 7th Sense Psychics PRS was operated in a manner that was not compliant with certain requirements of the Code of Practice as detailed below.
5. Accordingly, on 12 June 2015, ComReg notified Modeva Networks of findings³ that it had not complied with the Code for PRS providers and, therefore, was in breach of conditions of its PRS licence⁴.

Sections 5.4 and 3.2 of the Code of Practice

6. ComReg found that some end users of the 7th Sense Psychics PRS did not have their calls to the PRS terminated when they had incurred a cost of €60 in accordance with Section 5.4 of the Code of Practice. Resulting from this, ComReg also found that Modeva Networks did not make all reasonable endeavours to ensure that the PRS provided by them was of a sufficient technical

¹ http://www.comreg.ie/_fileupload/publications/ComReg1445.pdf

² http://www.comreg.ie/publications/s_i_111_of_2012_-_communications_regulation_licensing_of_premium_rate_services_regulations_2012.505.104071.p.html

³ In accordance with its powers at Section 9 of the Act of 2010

⁴ Modeva Networks is a licensed PRS provider in Ireland, in accordance with Section 6(1) of the Act of 2010 and the Communications Regulation (Licensing of Premium Rate Services) Regulations 2012

quality so as not to cause end-user harm and to ensure compliance with the requirements of the Code in accordance with Section 3.2 of the Code of Practice.

Sections 3.12(a) and 4.1 Code of Practice

7. ComReg found that some end users of the 7th Sense Psychics PRS may have been misled by inaccuracy, ambiguity, exaggeration, omission, or otherwise, through engagement with Modeva Networks' customer service that they would not incur charges immediately upon connection to the PRS but rather only when in conversation with a psychic reader, contrary to the provisions of Sections 3.12(a) and 4.1 of the Code of Practice.

Conclusion

8. Modeva Networks is required to remedy the findings of non-compliance, if not already completed, in respect of the breaches of the Code by 13 July 2015 and to make refunds to end users connected to the non-compliance by 11 August 2015.