



Report of the Adjudicator

Complaint number	#61356
Cited WASPA members	Exceptional Rights Membership (2021)
Notifiable WASPA members	Not applicable.
Source of the complaint	WASPA Compliance Department
Complaint short description	Non-compliant service
Date complaint lodged	2025-06-20
Date of alleged breach	2025-06-16
Applicable version of the Code	17.12
Clauses of the Code cited	4.2; 4.11;5.4; 5.5;12.1;15.8B; 15.9; 15.10; and 23A.5
Related complaints considered	#60750
Fines imposed	<p>An R15 000.00 fine is imposed on the member for the breach of clauses 5.4 and 5.5, payable to WASPA within 7 days of receipt of this adjudication report.</p> <p>An R15 000.00 fine is imposed on the member for the breach of clauses 4.2, 4.11 and 12.1 payable to WASPA within 7 days of receipt of this adjudication report.</p>

	<p>An R20 000.00 fine is imposed on the member for the breach of clauses 15.8B, 15.9, 15.10, and 23A.5, payable to WASPA within 7 days of receipt of this adjudication report.</p> <p>The member is directed to issue full refunds to all consumers who were subscribed to the service without valid, informed, and explicit consent, and who were billed during the period 2025-06-01 to 2025-06-23.</p> <p>The member must, within ten business days of the date of this order:</p> <ol style="list-style-type: none"> 1.1. Identify all affected users who were subscribed and billed during the period of non-compliance; 1.2. Notify these users of their right to a full refund; 1.3. Process refunds to all affected users without requiring individual refund requests, unless a specific refund request mechanism was already provided and used. <p>A report confirming the number of affected users, the total amount refunded, and evidence of the refund transactions must be submitted to WASPA's Secretariat within 15 business days of this order.</p> <p>Proof of the member's service being compliant service must be submitted to WASPA within 7 working days.</p>
Other sanctions	Not applicable.
Is this report notable?	Not notable.
Summary of notability	Not applicable.

Initial complaint

1. Whilst monitoring, testing services, and conducting compliance checks of test results, the WASPA Compliance Department identified a service on the MTN network on about 2025-06-16, which did not comply with the requirements as set out in the WASPA Code of Conduct ("the Code").
2. The tester accessed the Google Play Store and downloaded and installed the 'Cool Weapon Pranks' app. Immediately after the app was installed, the tester received a Welcome Message to confirm that the tester had subscribed to the Moviemania subscription service charged at R7.00 per day. Without at any point engaging with promotional material, a landing page, or network-hosted confirmation page for the Moviemania subscription service, the tester was auto-subscribed to the service without their explicit consent or knowledge. The normal subscription acquisition flow as required by the Code and the MTN network was

bypassed. The tester only realised that they were subscribed to a service because they received a Welcome Message.

3. It was determined that downloading and installing the 'Cool Weapon Pranks' app led to an unauthorised auto-subscription to the Moviemania service. This occurred without the tester's informed consent, visible pricing information, landing page or any required confirmation step, in breach of multiple provisions of the Code. Furthermore, the results highlighted that the member did not have sufficient fraud detection and mitigation strategies in place to prevent unauthorised or fraudulent subscriptions.
 4. Complaint #61356 was subsequently lodged by the WASPA Compliance Department ("the complainant") on 2025-06-20. The member was notified of an emergency panel hearing to hear the complaint on 2025-06-23. On the same day, the member confirmed the service had been blacklisted with immediate effect to prevent any further prescriptions or non-compliant subscription flows, and the emergency hearing was subsequently cancelled. A formal response to the complaint was submitted by the member on 2025-07-01, and the complainant was invited to respond but chose not to provide further input.
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Member's response

5. The member responded to the formal complaint, citing each clause of the Code cited by the complainant, the alleged breach, as well as the correlating resolution and compliance plan:

Clause 4.2 – Professional Conduct

- 5.1. The breach related to a lack of transparency and the bypassing of user consent, which constituted unprofessional conduct. In response, user flow processes have been revised to enhance clarity and uphold professional standards. Internal teams have completed refresher training on compliance and ethical user engagement. Additionally, quarterly compliance workshops have been scheduled to reinforce adherence to the Code.

Clause 4.11 – Fraud Prevention

- 5.2. This clause was breached due to inadequate fraud prevention mechanisms that resulted in unauthorised auto-subscriptions. To address this, security systems have been upgraded to detect and block unauthorised and non-compliant traffic. A fraud detection module has been introduced to monitor app behaviour and subscription triggers. Weekly audits and automated alerts have been implemented to flag and suspend suspicious activity.

Clause 5.4 – Honest and Fair Dealings

- 5.3. The breach here arose from auto-subscriptions occurring without user knowledge, violating principles of fair dealing. In response, all subscription flows now require clear, user-initiated actions. Service details are made fully visible before any user engagement, and every service must pass a fairness and consent review before being launched.

Clause 5.5 – Misleading Information

- 5.4. Promotions were found to be misleading due to a lack of clarity. To remedy this, all promotional materials are now required to display clear service branding and pricing to ensure user understanding and informed consent.

Clause 12.1 – Pricing Information Adjacent to CTA

- 5.5. This clause was breached by failing to display pricing information before subscription. As a corrective measure, pricing is now prominently displayed on all landing pages and directly adjacent to call-to-action buttons.

Clauses 15.8B and 15.9 – Confirmation Step & Explicit Consent

- 5.6. The breach involved the absence of a confirmation step and explicit consent prior to subscription. To comply, a mandatory, user-initiated confirmation step has been implemented. The platform has also been configured to block any flow lacking proper consent mechanisms.

Clause 15.10 – Web-Based Confirmation Methods

- 5.7. This clause was violated due to the absence of confirmation via carrier mechanisms, confirmation pages, or messages. In response, services that do not include proper confirmation logic are now blocked from being processed on the platform.

Clause 23A.5 – Landing Page Requirements

- 5.8. The breach occurred because a subscription was processed without a compliant landing page. As a remedy, the platform has been enhanced to automatically block any attempt to bypass the landing page requirement.

Additional Measures Implemented

- 5.9. A real-time detection system has been added to the platform, ensuring that all non-compliant subscription flows are blocked before they reach end-users.

Conclusion

- 5.10. The member acknowledged the severity of the breach and regretted the incident and asserted that corrective actions had been taken, including significant improvements to fraud prevention and compliance processes. The member maintained that it remains committed to consumer protection, regulatory compliance, and upholding the integrity of the mobile content industry.

Sections of the Code considered

6. The following clauses of the Code are considered herein, and read as follows:

“4.2. Members must at all times conduct themselves in a professional manner in their dealings with the public, customers, other service providers and WASPA.

4.11. Members must take reasonable steps to prevent their networks and systems from being used in a fraudulent manner, and must comply with WASPA’s published best practices for fraud prevention.

5.4. Members must have honest and fair dealings with their customers.

5.5. Members must not knowingly disseminate information that is false or deceptive, or that is likely to mislead by inaccuracy, ambiguity, exaggeration or omission.

12.1. For any web page, pricing information does not need to be displayed for services which are free or which are billed at standard rates, provided that the mobile network operator does not prescribe any specific advice of charge requirements. For all other services, where there is a call-to-action, pricing information must be clearly and prominently displayed adjacent to the call-to-action.

15.8B. A customer must not be subscribed to any subscription or notification service without completing a confirmation step.

15.9. The confirmation step for any subscription service must require an explicit response from the customer of that service. The confirmation step may not be performed in an automated manner in such a way that the process is hidden from the customer.

15.10. For all subscription services initiated via a web page, there must be an additional specific confirmation step before the customer is billed. This confirmation step must be provided in one of three ways:

- (i) The customer’s mobile carrier may implement the confirmation step.
- (ii) The member can provide the customer with a “confirmation page”.
- (iii) The member can send a “confirmation message” to the customer. The customer must not be charged for the confirmation message.

23A.5. Subscription services must have a landing page prior to the confirmation step. An advert for a subscription service may not send a customer directly to a confirmation page but must link the customer to a landing page for the service. A landing page:

- (a) must clearly show the pricing information for the service;
- (b) must contain a link to, or the URL of, the Ts&Cs for the service;
- (c) must use only “subscribe” or “join” as the call-to-action, and may include additional words following “subscribe” or “join” which are not considered to be “intervening text” for the purpose of displaying pricing information;
- (d) must not mislead by presenting examples of content not available as part of the service;
- (e) must state the name of the service; and
- (f) must include a description that makes the nature of the service clear to the customer.”

Decision

7. The member does not deny the fact that their service was non-compliant with the Code, breaching all the clauses listed. Consequently, the complaint is upheld, and the member is found in breach of clauses 4.2, 4.11, 5.4, 5.5, 12.1, 15.8B, 15.9, 15.10, and 23A.5 of the Code.

8. In this case, the auto-subscription breach is particularly serious given that the service enrolled users without their knowledge, failed to display pricing adjacent to the call-to-action, and omitted a proper confirmation step. These violations reflect a deliberate or grossly negligent disregard for fundamental consumer protection standards. While a remedial plan has been submitted by the member, the recurrence of similar breaches, particularly of clauses 5.4 and 5.5, which were upheld in a prior complaint less than a year ago, demonstrates a failure to implement lasting compliance measures and raises concerns about the member's commitment to regulatory obligations.
 9. On the other hand, the member's immediate action to halt and blacklist the service upon notification from WASPA, and their engagement with the complaints process, are regarded as mitigating factors. Nonetheless, the pattern of repeated non-compliance warrants a sanction to promote future adherence to the Code and deter further misconduct.
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Sanctions

10. An R15 000.00 fine is imposed on the member for the breach of clauses 5.4 and 5.5, payable to WASPA within 7 days of receipt of this adjudication report.
 11. An R15 000.00 fine is imposed on the member for the breach of clauses 4.2, 4.11 and 12.1, payable to WASPA within 7 days of receipt of this adjudication report.
 12. An R20 000.00 fine is imposed on the member for the breach of clauses 15.8B, 15.9, 15.10, and 23A.5, payable to WASPA within 7 days of receipt of this adjudication report.
 13. The member is directed to issue full refunds to all consumers who were subscribed to the service without valid, informed, and explicit consent, and who were billed during the period 2025-06-01 to 2025-06-23.
 14. The member must, within ten business days of the date of this order:
 - 14.1. Identify all affected users who were subscribed and billed during the period of non-compliance;
 - 14.2. Notify these users of their right to a full refund;
 - 14.3. Process refunds to all affected users without requiring individual refund requests, unless a specific refund request mechanism was already provided and used.
 15. A report confirming the number of affected users, the total amount refunded, and evidence of the refund transactions must be submitted to WASPA's Secretariat within 15 business days of this order.
 16. Proof of the member's service being compliant service must be submitted to WASPA within 7 working days.
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