

Chapter 7

Charging consumers for telephone calls



7.1 Application

Who? Where?

7.1.1 R This chapter applies to a *firm* carrying on activities from an establishment in the *United Kingdom*. In relation to *regulated claims management activities*, this chapter applies with respect to activity carried on in *Great Britain*, even if the establishment from which it is carried on is not located in the *UK* (see ■ PERG 2.4A).

What?

7.1.2 R This chapter applies where a *firm* operates a telephone line for the purpose of enabling a *consumer* to contact the *firm* in relation to a contract that has been entered into with the *firm* in the course of, or in connection with:

- (1) *regulated activities*; or
- (2) *payment services*.

MiFID firm exception

7.1.3 R This chapter does not apply for telephone lines provided in respect of contracts relating to the *MiFID business* of a *firm*.

Payment services exception

7.1.4 R This chapter does not apply to telephone lines which:

- (1) enable *payment service users* to request information to which paragraph (2) of regulation 56 of the *Payment Services Regulations* applies; or
- (2) relate to the termination of a *framework contract*, unless:
 - (a) the *framework contract* was concluded either for a fixed period of more than 12 *months* or for an indefinite period; and
 - (b) at least 12 *months* of the *framework contract* have expired.

Complaints exception

7.1.5 R This chapter does not apply for telephone lines provided by a *respondent* for the purpose of enabling an *eligible complainant* to submit a *complaint*.

7.1.6	G	<p>■ DISP 1.3 contains rules that apply for telephone lines provided by <i>respondents</i> for the purpose of enabling <i>eligible complainants</i> to submit <i>complaints</i> to a <i>respondent</i>.</p> <p>Application to firms carrying on credit-related regulated activities</p>
7.1.7	G	<p>An effect of ■ GEN 7.1.1R and ■ GEN 7.2.1R is that this chapter applies for contracts by which a <i>firm</i> provides, or agrees to provide, <i>credit broking</i> services. In particular, this chapter applies where a telephone line is operated by a <i>credit broker</i> so that following the entry into a contract for the provision of <i>credit broking</i> services, a <i>customer</i> is able to contact the <i>firm</i> with a view to entering into a <i>credit agreement</i> or a <i>consumer hire agreement</i>.</p> <p>Related consumer credit rules</p>
7.1.8	G	<p>The following provisions of <i>CONC</i> continue to apply where a <i>firm</i> operates a telephone line in respect of the relevant credit-related regulated activities but the <i>call charges rule</i> does not apply (for example, where a telephone line is operated for the purpose of enabling a consumer to contact the <i>firm</i> before a contract has been entered into):</p> <ol style="list-style-type: none">(1) ■ CONC 2.5.8R and ■ CONC 2.5.9G (unfair business practices: credit broking);(2) ■ CONC 2.6.3R and ■ CONC 2.6.4G (unfair business practices: debt counselling, debt adjusting and providing credit information services);(3) ■ CONC 3.3.9G (financial promotions and communications);(4) ■ CONC 3.9.5R and ■ CONC 3.9.6G (financial promotions and communications in relation to debt counselling and debt adjusting);(5) ■ CONC 7.9.5R (arrears, default and recovery); and(6) ■ CONC 8.7.6R (charging for debt counselling, debt advice and related services). <p>Regulated benchmark administrators</p>
7.1.9	R	<p>This chapter does not apply to telephone lines provided in respect of contracts relating to a <i>firm's administration of a benchmark</i>.</p>