

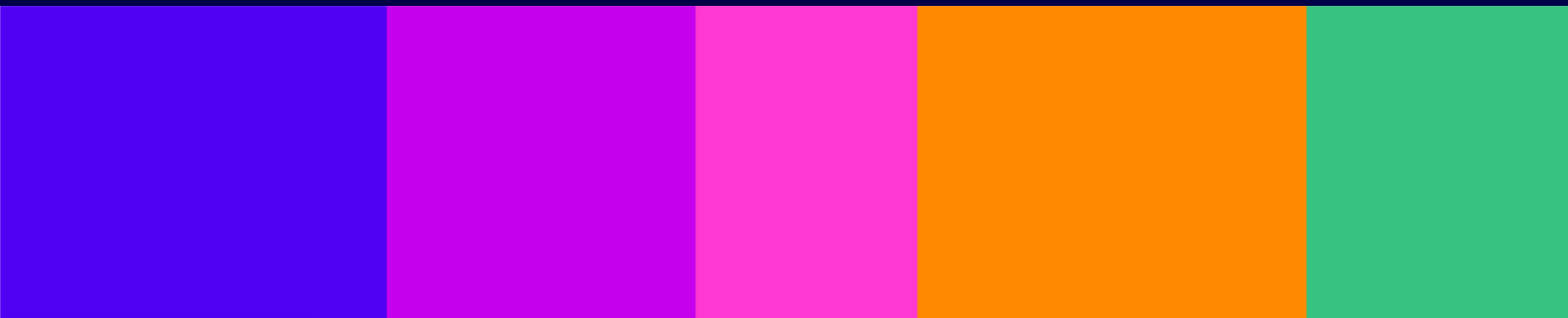
[DRAFT] Fraudulent Advertising Code of Practice for Category 1 services

Annex 4

DRAFT FOR CONSULTATION

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1. Introduction

The Fraudulent Advertising Code of Practice for Category 1 services

- 1.1 Under the Online Safety Act 2023 (the Act), Ofcom is required to prepare and issue Codes of Practice (Codes) for providers of Part 3 services, describing measures recommended for the purpose of compliance with specified duties imposed on those providers by the Act.
- 1.2 This document contains the Code applying to providers of Category 1 services (including providers of combined services, so far as the duties applicable to Category 1 services apply in relation to the user-to-user services that form part of those services) for the purpose of compliance with the fraudulent advertising duties set out in section 38 of the Act.
- 1.3 Recommended measures for Category 2A search services are set out separately in the Fraudulent Advertising Code of Practice for Category 2A services.
- 1.4 Over time Ofcom will update the Codes to take account of technological developments, new evidence, and any other relevant matters.

The recommended measures

- 1.5 Section 4 of this document sets out the recommended measures and is divided into subsections by thematic area. The meaning of terms in **bold** and terms in ***bold and italics*** is explained in Section 5.
- 1.6 The Act provides that service providers which implement measures recommended to them in this Code will be treated as complying with the relevant duty or duties to which those measures relate. The duties to which each measure relates are set out in the index of recommended measures at Section 3 of this document.
- 1.7 Service providers may seek to comply with a fraudulent advertising duty in another way by adopting what the Act refers to as alternative measures.
- 1.8 Where they take alternative measures, service providers must be able to show how those measures ensure they are operating their services in compliance with the fraudulent advertising duties.
- 1.9 Paragraphs 10(1)-(2) of Schedule 4 to the Act provide that measures described in a code of practice must be designed in light of the following principles: a) the importance of protecting the right of users and (in the case of combined services) interested persons to freedom of expression within the law; and (b) the importance of protecting the privacy of users. Paragraph 10(1) further provides that measures should, where appropriate, incorporate safeguards for the protection of the matters mentioned in those principles. Accordingly, for certain measures we have set out which other measures will, if implemented, act as safeguards for the protection of those matters.

Data protection

- 1.10 Implementing the recommended measures set out in this Code will inevitably involve the processing of personal data. The Information Commissioner's Office ('the ICO') is the statutory regulator for data protection law and has made clear that it expects service

providers to comply fully with data protection law when taking measures for the purpose of complying with their online safety duties under the Act.

- 1.11 The ICO has set out that it expects service providers to take a 'data protection by design and by default' approach when implementing online safety systems and processes. It advises service providers to familiarise themselves with the data protection legislation and relevant ICO guidance to understand how to comply with the data protection regime.

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2. Application and scope

- 2.1 This Code applies to a **provider** in respect of each **Category 1 service** that it provides.
- 2.2 If a person is the **provider** of more than one **Category 1 service**, this Code has effect in relation to each such service (so far as applicable).
- 2.3 This Code applies regardless of whether or not the **provider** of the service is inside the United Kingdom.
- 2.4 The services in respect of which each recommended measure in this Code applies are specified in the “application” section of each measure. An overview can be found in the index of recommended measures in Section 3 of this document.
- 2.5 The measures in this Code are recommended for the purpose of compliance with the **fraudulent advertising duties** set out in section 38 of the Act and their scope and application should be construed accordingly. In particular, the recommended measures should be construed in light of sections 38(6) and (7) of the Act which provide that:
- a) the duties set out in section 38 of the Act which must be complied with in relation to a **combined service** do not extend to:
 - i) **fraudulent advertisements** that may be **encountered** in **search results** of the service or, following a **search request**, as a result of subsequent interactions with **internet services**, or
 - ii) anything relating to the design, operation or use of the **search engine**, and
 - b) the duties set out in section 38 of the Act which must be complied with in relation to a **user-to-user service** extend only to the design, operation and use of the service in the United Kingdom.
- 2.6 Pursuant to section 38(6) of the Act, in the case of a **Category 1 service** which is a **combined service** and is also a **Category 2A service**, the duties set out in section 39 apply as well as the duties set out in section 38. Recommended measures for **Category 2A services** are set out separately in the Fraudulent Advertising Code of Practice for Category 2A services.

3. Index of recommended measures

Recommended measure		Application	Relevant duties
Governance and accountability			
FAU A1	Annual review of compliance activities	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(1)
FAU A2	Individual accountable for fraudulent advertising duties	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(1)
FAU A3	Written statements of responsibilities	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(1)
FAU A4	Internal monitoring and assurance	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(1)
FAU A5	Code of conduct regarding preventing individuals from encountering fraudulent advertising	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(1)
FAU A6	Compliance training	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(1)

Recommended measure	Application	Relevant duties	
Fraud Indicator Assessment			
FAU B1	Carrying out a fraud indicator assessment	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
Advertising moderation			
FAU C1	Having an advertising moderation function to review and assess suspected fraudulent advertisements	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU C2	Having an advertising moderation function that allows for the swift take down of fraudulent advertisements	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU C3	Setting internal advertising policies	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)

Recommended measure		Application	Relevant duties
FAU C4	Performance targets	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU C5	Prioritisation	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU C6	Resourcing	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU C7	Provision of training and materials to individuals working in advertising moderation	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)

Recommended measure	Application	Relevant duties	
Reporting and complaints			
FAU D1	Enabling complaints	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU D2	Having easy to find, easy to access and easy to use advertising complaints systems and processes	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU D3	Appropriate action for advertising complaints about suspected fraudulent advertising	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU D4	Appropriate action for advertising complaints which are advertising appeals – determination	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)

Recommended measure		Application	Relevant duties
FAU D5	Appropriate action for advertising complaints which are advertising appeals – action following determination	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU D6	Exception: manifestly unfounded advertising complaints	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU D7	Dedicated reporting channel for trusted flaggers to report suspected fraudulent advertisements	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
Advertising Libraries			
FAU E1	Advertising Libraries	Each Category 1 service it provides in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)

Recommended measure	Application	Relevant duties	
Testing			
FAU F1	Testing advertisement generation tools	Each Category 1 service it provides in respect of which United Kingdom users can encounter relevant paid-for advertisements , where a provider makes an advertisement generation tool available to persons using advertising accounts (regardless of whether the tool is made available on or off the service).	Section 38(1)
Terms of Service			
FAU G1	Terms of service: substance	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(2)
FAU G2	Terms of service: clarity and accessibility	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements .	Section 38(2)
Account Integrity			
FAU H1	Account checks	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU H2	Financial services verification	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)

Recommended measure		Application	Relevant duties
FAU H3	Account security	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU H4	Account takeover reporting	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU H5	Advertiser Bans	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
Account appeals			
FAU J1	Enabling account appeals	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)

Recommended measure		Application	Relevant duties
FAU J2	Having easy to find, easy to access and easy to use account appeals systems and processes	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU J3	Appropriate action – determination	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
FAU J4	Appropriate action – action following determination	Each Category 1 service in respect of which United Kingdom users can encounter relevant paid-for advertisements except where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, Recommendation FAU K1 applies in respect of this measure.	Section 38(1)
Intermediaries			
FAU K1	Reasonable endeavours to implement recommended measures	Each Category 1 service it provides in respect of which United Kingdom users can encounter relevant paid-for advertisements where, due to the degree of control a provider has in relation to the placement of relevant paid-for advertisements on the service, the provider cannot implement a measure (either entirely or in part) recommended in this Code.	Section 38(1)

4. Recommended measures

A. Governance and accountability

FAU A1 Annual review of compliance activities

Application

FAU A1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU A1.2 The provider's most senior **governance body** in relation to the service should carry out and record an annual review of the measures the provider has taken to comply with the **fraudulent advertising duties**.

FAU A1.3 The review should include at least the following:

- a) how **fraudulent advertising** manifests on the service;
- b) the effectiveness of any measures taken to comply with the **fraudulent advertising duties**; and
- c) consideration of the matters referred to in FAU A1.5.

FAU A1.4 For the purpose of FAU A1.3(a), the provider should review, where available, the findings from its **fraud indicator assessment**, and any other, or equivalent, steps the provider has taken to understand how **fraudulent advertising** manifests on the service.

FAU A1.5 For the purpose of FAU A1.3(c), the provider should consider:

- a) any problems the provider has faced in relation to the effectiveness of measures taken to comply with the **fraudulent advertising duties**;
- b) the steps the provider has taken, or plans to take, to address those problems, and ensure the measures taken to comply with the **fraudulent advertising duties** are appropriate and effective, including the expected timeframe for taking those planned steps; and
- c) where any problems have been identified in the previous annual review, how the provider has considered and acted upon them.

FAU A1.6 The provider should retain a record of the annual review for at least:

- a) three years; or
- b) the retention period set in the provider's record retention policies,

whichever is longer.

FAU A2 Individual accountable for fraudulent advertising duties

Application

FAU A2.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU A2.2 The provider should name an individual accountable to the most senior **governance body** for compliance with the **fraudulent advertising duties**.

FAU A2.3 Being accountable means being required to explain and justify actions or decisions regarding compliance with **fraudulent advertising duties** to the most senior **governance body**.

FAU A3 Written statements of responsibilities

Application

FAU A3.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU A3.2 The provider should have written statements of responsibilities for senior managers who make decisions relating to compliance with the **fraudulent advertising duties**.

FAU A3.3 A statement of responsibilities is a document which clearly shows the responsibilities that the senior manager performs in relation to compliance with the **fraudulent advertising duties** and how those responsibilities fit in with the provider's overall governance and management arrangements in relation to the service.

FAU A4 Internal monitoring and assurance

Application

FAU A4.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU A4.2 The provider should have an internal monitoring and assurance function to provide independent assurance that measures taken to comply with the **fraudulent advertising duties** are effective on an ongoing basis. This function should report to, and its findings should be considered by, either:

- a) the body that is responsible for overall governance and strategic direction of a service; or
- b) an audit committee.

FAU A4.3 This independent assurance may be provided by an existing internal audit function.

FAU A5 Code of conduct regarding preventing individuals from encountering fraudulent advertising

Application

FAU A5.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU A5.2 The provider should have a code of conduct that sets standards and expectations for individuals working for the provider who are involved in the **paid-for advertising function** of the service around preventing **United Kingdom users** from **encountering fraudulent advertising**.

FAU A6 Compliance training

Application

FAU A6.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU A6.2 The provider should secure that individuals working for the provider who are involved in the **paid-for advertising function** of the service are trained in the service's approach to compliance with the **fraudulent advertising duties** sufficiently to give effect to them.

FAU A6.3 This does not affect Recommendation FAU C7.

B. Fraud Indicator Assessment

FAU B1 Carrying out a fraud indicator assessment

Application

FAU B1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU B1.2 The provider should carry out an assessment, using an appropriate analytical method, identifying:

- a) the characteristics of a **relevant paid-for advertisement** that indicate, either alone or in combination, a material risk that the advertisement is a **fraudulent advertisement** or **fraudulent advertising proxy**; and
- b) the characteristics of an **advertising account** that indicate, either alone or in combination, a material risk of the account being used to **post a fraudulent advertisement** or to **post fraudulent advertising proxy** on the service,

(and “**fraud indicator**” means any characteristic so identified).

FAU B1.3 The characteristics in FAU B1.2 should meet one or more of the following conditions:

- a) they have been identified in previous **fraudulent advertisements** on the service or in **advertising accounts** that have been used to **post fraudulent advertisements** or to **post fraudulent advertising proxy**;
- b) they have been identified in broader **fraudulent advertising** trends that are relevant to the service;
- c) the provider has other evidence to consider that they indicate a material risk of **fraudulent advertising**.

FAU B1.4 The characteristics in FAU B1.2 should, where applicable, relate to:

- a) the content of a **relevant paid-for advertisement** or relevant content connected to the advertisement;
- b) **advertising accounts**;
- c) the behaviour of **advertising accounts**;
- d) the particular group(s) of **users** a **relevant paid-for advertisement** is targeting; and
- e) functionalities of the service relating to **relevant paid-for advertisements**.

FAU B1.5 When carrying out an assessment under FAU B1.2, the provider should take into account the following information relating to **United Kingdom users** where applicable and relevant:

- a) judgements about whether **relevant paid-for advertisements** are **fraudulent advertisements** or **fraudulent advertising proxy** and other outcomes of advertising moderation;
- b) action taken in relation to **persons** using **advertising accounts** on the basis that a **relevant paid-for advertisement** is a **fraudulent advertisement** or **fraudulent advertising proxy**;
- c) data relating to **users** and **persons** using **advertising accounts** to **post relevant paid-for advertisements**;
- d) **advertising complaints**;
- e) the provider's engagement with **advertising intermediaries** involved in the placement of **relevant paid-for advertisements** on the service;
- f) information provided by **trusted flaggers** and complaints made by them by means of the dedicated reporting channel in accordance with Recommendation FAU D7;
- g) information provided by independent experts in **fraudulent advertising**;
- h) referrals from law enforcement;
- i) information provided by internal experts in **fraudulent advertising**;
- j) retrospective analysis of incidents of **fraudulent advertisements** being **encountered by United Kingdom users** on the service;
- k) any results of testing of an **advertisement generation tool** or other functionalities of the service;
- l) any research commissioned internally or externally;
- m) outcomes of any internal or external audits or other risk assurance processes; and
- n) information received via data sharing schemes.

FAU B1.6 For each source of information listed in FAU B1.5, the provider should:

- a) use information it already holds, covering at least the most recent 12-month period, or, where this is not available, over as long a period as possible; and
- b) where the provider is aware that a third party holds any such applicable and relevant information relating to the service, request this information from the third party for the purposes of carrying out an assessment in accordance with FAU B1.2.

FAU B1.7 The provider should review and update its assessment:

- a) at least every 12 months; and
- b) whenever the provider has made a significant change to any aspect of the service's design or operation in relation to **relevant paid-for advertisements**.

FAU B1.8 All assessments should be provided to the provider's most senior **governance body**.

FAU B1.9 The provider should track characteristics and groups of characteristics of **relevant paid-for advertisements** and **advertising accounts** for the purpose of identifying any new potential **fraud indicators** based on the following:

- a) information provided by **trusted flaggers** and the views of independent experts in **fraudulent advertising**;
- b) referrals from law enforcement;
- c) information received from data sharing schemes; and
- d) the **systems and processes** used to protect **users** from **fraudulent advertising**.

FAU B1.10 Where the provider identifies any new potential **fraud indicators**, they should carry out an assessment under FAU B1.2 as soon as practicable in relation to those potential **fraud indicators**.

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C. Advertising moderation

FAU C1 Having an advertising moderation function to review and assess suspected fraudulent advertisements

Application

FAU C1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU C1.2 In this Recommendation, “fraudulent advertisement judgement” means a judgement about whether a **relevant paid-for advertisement** is a **fraudulent advertisement**, made in accordance with section 192(2) and section 192(4) to (7) of the **Act**.

FAU C1.3 The provider should, as part of its **advertising moderation function**, have **systems and processes** designed to review and assess **relevant paid-for advertisements** that can be **encountered** by **United Kingdom users** that the provider has reason to suspect may be **fraudulent advertisements**.

FAU C1.4 For this purpose, when the provider has reason to suspect that a **relevant paid-for advertisement** may be a **fraudulent advertisement**, the provider should review the advertisement and either:

- a) make a fraudulent advertisement judgement in relation to the relevant paid-for advertisement; or
- b) where the provider is satisfied that its **terms of service** or **advertising contracts** (where all of the provider's **advertising contracts** contain similar prohibitions in relation to **fraudulent advertisements**), or a combination of these when read together, prohibit the type of **fraudulent advertisement** which it has reason to suspect exists, consider whether the advertisement is in breach of the **terms of service** or **advertising contracts** or a combination of these when read together.

Safeguards for freedom of expression and privacy

FAU C1.5 The following measures are safeguards to protect **United Kingdom users'** right to freedom of expression and the privacy of **United Kingdom users**:

- a) Recommendations FAU C3, FAU C4, FAU C6 and FAU C7 (in relation to advertising moderation);
- b) Recommendations FAU D1 and FAU D2, so far as they relate to **advertising appeals**; and
- c) Recommendations FAU D4 and FAU D5 (in relation to **advertising appeals**).

FAU C2 Having an advertising moderation function that allows for the swift take down of fraudulent advertisements

Application

- FAU C2.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU C2.2 The provider should, as part of its **advertising moderation function**, have **systems and processes** designed to swiftly **take down fraudulent advertisements** or **fraudulent advertising proxy** (or both) that can be **encountered** by **United Kingdom users**, of which it is aware (see also Recommendation FAU C1.2).
- FAU C2.3 For this purpose, when the provider determines that:
- a) the advertisement is a **fraudulent advertisement** (pursuant to FAU C1.3(a)); or
 - b) the advertisement is in breach of its **terms of service** or **advertising contracts** (or both) (pursuant to Recommendation FAU C1.3(b)),
- the provider should swiftly **take down** the advertisement.

Safeguards for freedom of expression and privacy

- FAU C2.4 The following measures are safeguards to protect **United Kingdom users'** right to freedom of expression and the privacy of **United Kingdom users**:
- a) Recommendations FAU C3, FAU C4, FAU C6 and FAU C7 (in relation to advertising moderation);
 - b) Recommendations FAU D1 and FAU D2 (in relation to **advertising appeals**); and
 - c) Recommendations FAU D4 and FAU D5 (in relation to **advertising appeals**).

FAU C3 Setting internal advertising policies

Application

- FAU C3.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU C3.2 The provider should set and record (but need not publish) internal advertising policies setting out rules, standards and guidelines around:
- a) which **relevant paid-for advertisements** are allowed to be **encountered** by **United Kingdom users** on the service and which are not; and
 - b) how those policies should be operationalised and enforced.
- FAU C3.3 The policies should be drafted in such a way that **fraudulent advertisements** (where they are identifiable as such) are not allowed to be **encountered** by **United Kingdom users** on the service.
- FAU C3.4 The provider should:
- a) in setting these policies, have regard to, where available, the findings from its **fraud indicator assessment**, and any other, or equivalent, steps the provider has taken to understand how **fraudulent advertising** manifests on the service; and
 - b) have processes in place for updating these policies in response to any new **fraud indicators**, as identified and assessed in accordance with Recommendations FAU B1.9 and B1.10, and any other, or equivalent, steps the provider has taken to understand how **fraudulent advertising** manifests on the service.
- FAU C3.5 This does not affect Recommendation FAU H2.

FAU C4 Performance targets

Application

- FAU C4.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU C4.2 The provider should set and record performance targets for its **advertising moderation function**, covering at least:
- a) the time between the provider first having reason to suspect that a **relevant paid-for advertisement** that can be **encountered** by **United Kingdom users** may be a **fraudulent advertisement** and relevant advertising moderation action being taken; and
 - b) the accuracy of decision making.

- FAU C4.3 In setting its targets, the provider should balance the need to take relevant advertising moderation action swiftly against the importance of making accurate moderation decisions.
- FAU C4.4 The provider should effectively measure and monitor its performance against performance targets.
- FAU C4.5 For the purpose of FAU C4.2 and FAU C4.3, “relevant advertising moderation action” refers to the action recommended by Recommendation FAU C2.3.

FAU C5 Prioritisation

Application

- FAU C5.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU C5.2 The provider should prepare and apply a policy in respect of the prioritisation for review between different **relevant paid-for advertisements** that the provider has reason to suspect may be **fraudulent advertisements**. In setting the policy, the provider should have regard to, at least, the following:
- a) the desirability of minimising the number of **United Kingdom users encountering** a particular type of **fraudulent advertisement**; and
 - b) the likelihood that a **relevant paid-for advertisement** is a **fraudulent advertisement**, including whether it has been reported by a **trusted flagger** and by having regard to, where available, the findings from its **fraud indicator assessment** and any new **fraud indicators**, as identified and assessed in accordance with Recommendation FAU B1.9 and B1.10, and any other, or equivalent, steps the provider has taken to understand how **fraudulent advertising** manifests on the service.

FAU C6 Resourcing

Application

- FAU C6.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU C6.2 The provider should resource its **advertising moderation function** so as to give effect to its internal content policies set in accordance with Recommendation FAU C3 and performance targets set in accordance with Recommendation FAU C4 having regard to, at least, the particular needs of its **United Kingdom user** base in relation to the languages in which **relevant paid-for advertisements** may be **encountered** by **United Kingdom users**.

FAU C7 Provision of training and materials to individuals working in advertising moderation

Application

- FAU C7.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU C7.2 The provider should ensure individuals working in its **advertising moderation function** receive training and materials that enable them to fulfil their role in moderating **relevant paid-for advertisements** including in relation to Recommendations FAU C1 and FAU C2 and the internal advertising policies set in accordance with Recommendation FAU C3.

- FAU C7.3 The provider should ensure that in doing so:
- a) it has regard to, at least, where available, the findings from its **fraud indicator assessment** and any new **fraud indicators**, as identified and assessed in accordance with Recommendation FAU B1.9 and B1.10, and any other, or equivalent, steps the provider has taken to understand how **fraudulent advertising** manifests on the service; and
 - b) where the provider identifies a gap in the understanding of individuals working in its **advertising moderation function**, it gives training and materials to remedy this.

D. Reporting and complaints

FAU D1 Enabling complaints

Application

FAU D1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU D1.2 The provider should have **systems and processes** which enable **prospective advertising complainants** to make **advertising complaints** in a way which will secure that the provider will take appropriate action in relation to them.

FAU D2 Having easy to find, easy to access and easy to use advertising complaints systems and processes

Application

FAU D2.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU D2.2 The **systems and processes** referred to in Recommendation FAU D1.2 should be operated to ensure that:

- a) for **advertising complaints** regarding a specific **relevant paid-for advertisement**, a reporting function or tool is easy to find and easily accessible in relation to that **relevant paid-for advertisement**;
- b) processes for making other kinds of **advertising complaints** are easy to find and easily accessible;
- c) they are designed so that they only include reasonably necessary steps; and
- d) it is possible when making **advertising complaints** to give the provider supporting information.

FAU D2.3 In designing the **systems and processes** referred to in Recommendation FAU D1.2, including its reporting tool or function, the provider should consider the accessibility needs of its **United Kingdom user** base having regard to:

- a) relevant information the provider holds on its **United Kingdom user** base;

- b) industry standards and good practice as to the design of the service, to ensure the reporting and complaints process is accessible to disabled people; and
- c) comprehensibility, based on the likely reading age of the youngest individual permitted to use the service without the consent of a parent or guardian.

FAU D2.4 For the purposes of FAU D2.3(b), the **systems and processes** referred to in Recommendation FAU D1.2 should be designed for the purposes of ensuring usability for those dependent on assistive technologies including:

- a) keyboard navigation; and
- b) screen reading technology.

FAU D3 Appropriate action for advertising complaints about suspected fraudulent advertising

Application

FAU D3.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU D3.2 When the provider receives an **advertising complaint** about a **relevant paid-for advertisement** which may be a **fraudulent advertisement**, it should treat the complaint as reason to suspect that the **relevant paid-for advertisement** may be a **fraudulent advertisement**, and review the advertisement in accordance with Recommendation FAU C1.3.

FAU D3.3 FAU D3.2 does not apply to a complaint identified as manifestly unfounded in accordance with Recommendation FAU D6.2.

FAU D4 Appropriate action for advertising complaints which are advertising appeals – determination

Application

FAU D4.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU D4.2 The provider should determine **advertising appeals** promptly.

FAU D5 Appropriate action for advertising complaints which are advertising appeals – action following determination

Application

FAU D5.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU D5.2 If, in relation to an **advertising appeal**, the provider reverses a decision that a **relevant paid-for advertisement** was a **fraudulent advertisement** or **fraudulent advertising proxy**, the provider should:

- a) so far as possible for the purpose of restoring the position of the **relevant paid-for advertisement** or the **person** using the **advertising account** (or both) to what it would have been had the decision not been made, reverse the action taken against the **relevant paid-for advertisement** or the **person** using the **advertising account** (or both) as a result of that decision;
- b) where there is a pattern or significant evidence of **relevant paid-for advertisements** being **taken down** in error, adjust any relevant internal advertising policies set in accordance with Recommendation FAU C3 if appropriate to ensure they are accurate; and
- c) where possible and appropriate, take steps to secure that the use of automated advertising moderation technology does not cause the same **relevant paid-for advertisement** to be **taken down** again.

FAU D6 Exception: manifestly unfounded advertising complaints

Application

FAU D6.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU D6.2 When the provider receives an **advertising complaint** that is not an **advertising appeal**, it may disregard the complaint only if:

- a) the provider has prepared and implemented a policy in accordance with FAU D6.3 to FAU D6.6, setting out the information and attributes that indicate an **advertising complaint** is manifestly unfounded;
- b) the provider identifies the complaint as manifestly unfounded in accordance with that policy; and
- c) the provider has in place a process to monitor the degree to which the application of the policy incorrectly identifies complaints which are not manifestly unfounded, and to review the policy in accordance with FAU D6.4 to FAU D6.6.

FAU D6.3 In designing a policy for the purposes of FAU D6.2(a), the provider should have regard to:

- a) the need to identify manifestly unfounded advertising complaints accurately; and
- b) the risks posed to particular groups of vulnerable users if **advertising complaints** are incorrectly identified as manifestly unfounded.

FAU D6.4 The provider should, at minimum, carry out an annual review of the policy to ensure it is not incorrectly identifying **advertising complaints** as manifestly unfounded.

FAU D6.5 If the policy is incorrectly identifying **advertising complaints** as manifestly unfounded, the provider should make changes to it with a view to ensuring its accuracy.

FAU D6.6 The provider should keep a record of its review process and any changes it has made for at least:

- a) three years; or
- b) the retention period set in the provider's record retention policies, whichever is longer.

FAU D7 Dedicated reporting channel for trusted flaggers to report suspected fraudulent advertisements

Application

FAU D7.1 This measure applies to a *provider* in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU D7.2 In this Recommendation, a '**recommended trusted flagger**' is each of the following:

- a) the City of London police force (which includes the Dedicated Card and Payment Crime Unit (a joint team of the City of London and Metropolitan police forces);
- b) the Department for Work and Pensions;
- c) the Financial Conduct Authority;
- d) HM Revenue and Customs;
- e) the National Crime Agency;
- f) the National Cyber Security Centre (a part of the Government Communications Headquarters);
- g) the Police Service of Northern Ireland;
- h) the Police Service of Scotland (Seirbheis Phoilis na h-Alba);
- i) the Advertising Standards Authority.

- FAU D7.3 The provider should establish and maintain a dedicated reporting channel for, at minimum, the **recommended trusted flaggers** and relating to **fraudulent advertising** in the circumstances set out in this Recommendations FAU D7.4 to FAU D7.7.
- FAU D7.4 The provider should publish a clear and accessible policy on its processes relating to the establishment of a dedicated reporting channel for, at minimum, the **recommended trusted flaggers**, covering any relevant procedural matters.
- FAU D7.5 If a request is made in accordance with the policy by a **recommended trusted flagger**, the provider should ensure a dedicated reporting channel, run in accordance with FAU D7.3, is made available and maintained for, at minimum, **recommended trusted flaggers**. The provider may make an existing dedicated reporting channel available to the **recommended trusted flagger**, if that dedicated reporting channel is run in accordance with ICU D7.3 to ICU D7.8 in the Illegal content Codes of Practice for user-to-user services.
- FAU D7.6 The provider should engage with the **recommended trusted flagger** at the start of the relationship to understand the **recommended trusted flagger's** needs with respect to the dedicated reporting channel.
- FAU D7.7 At least every two years, the provider should seek feedback from, at minimum, the **recommended trusted flaggers** with which it has made such arrangements, on whether any reasonable adjustments or improvements might be made to the operation of the dedicated reporting channel.
- FAU D7.8 FAU D7.9 applies where the provider receives a complaint from a **trusted flagger** through a dedicated reporting channel established for that **trusted flagger** if the complaint:
- a) is about a specific **relevant paid-for advertisement** on the service which may be encountered by **United Kingdom users**; and
 - b) relates to a matter within the area of expertise of the **trusted flagger**.
- FAU D7.9 The provider should treat the complaint as reason to suspect that the **relevant paid-for advertisement** may be **a fraudulent advertisement** and review the advertisement in accordance with Recommendation FAU C1.3.

E. Advertising libraries

FAU E1 Advertising libraries

Application

FAU E1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU E1.2 In this Recommendation, “exact phrase” means a search which retrieves results that match a specific sequence of words exactly as entered, including spaces and word order.

FAU E1.3 The provider should make **publicly available** (including to **United Kingdom users** who are not registered to use the service and **persons** in the United Kingdom who are not **users** of the service) an **ad library**.

FAU E1.4 The provider should ensure the **ad library** functions reliably and consistently.

FAU E1.5 The provider should regularly consult with independent experts in **fraudulent advertising** and take into account any recommendations from those experts to improve and update the **ad library**.

FAU E1.6 An “**ad library**” means a repository that contains, at a minimum, the following data in relation to **relevant paid-for advertisements**:

- a) the name of the **advertising account** that **posted the relevant paid-for advertisement**;
- b) the name of the **person** that the **advertising account** is registered to (if different to sub-paragraph (a));
- c) any previous names of the **advertising account** since the account was created;
- d) the content of the **relevant paid-for advertisement**, including any images, videos, text and URLs;
- e) the particular groups of **United Kingdom users** the **relevant paid-for advertisement** is targeting;
- f) the number of **United Kingdom users** the **relevant paid-for advertisement** is targeting or, if this data is not available, the number of **United Kingdom users** who have **encountered** the advertisement;
- g) the keywords which, when searched by **United Kingdom users** on the service, will prompt those users to **encounter the relevant paid-for advertisement**; and

- h) whether the **relevant paid-for advertisement** can still be **encountered** by **United Kingdom users** on the service.

FAU E1.7 The provider should ensure that the data set out in FAU E1.6 in relation to a **relevant paid-for advertisement** is:

- a) available whilst the advertisement can be **encountered** by **United Kingdom users** on the service until the end of the period of 12 months beginning with the day on which the advertisement could last be **encountered** by **United Kingdom users** on the service; and
- b) updated at least daily to ensure the data is accurate.

FAU E1.8 The **ad library** should include, at a minimum, functionalities that enable:

- a) searching within the **ad library** for **relevant paid-for advertisements** by keyword and exact phrase;
- b) searching within the **ad library** for **relevant paid-for advertisements** posted by specific **advertising accounts**; and
- c) the use of an application programming interface to provide a standardised way to allow computer systems to search the **ad library** and provide enhanced interactivity with the **ad library** through automated means.

F. Testing

FAU F1 Testing advertisement generation tools

Application

FAU F1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**, where the provider makes an **advertisement generation tool** available to **persons** using **advertising accounts** (regardless of whether the tool is made available on or off the service).

Recommendation

FAU F1.2 In this Recommendation:

“advertisement generation tool” means a tool used by **persons** using **advertising accounts**, for the purpose of creating a **relevant paid-for advertisement**, by generating **content** or significantly modifying existing **content** that will form part or all of the **relevant paid-for advertisement**;

“log” means a record in a form that enables the continuous collection, storage and analysis of information.

FAU F1.3 The provider should ensure that an **advertisement generation tool** is tested (either by the provider or by an appropriate third party appointed by the provider) to identify whether and, if so, how the tool could be used to create **fraudulent advertisements** or **fraudulent advertising proxy**.

FAU F1.4 The provider or, where applicable, the third party who is testing the **advertisement generation tool** in accordance with FAU F1.3, should:

- a) produce and analyse metrics, which should enable the provider to understand the risk of the **advertisement generation tool** being used to create **fraudulent advertisements** or **fraudulent advertising proxy**; and
- b) when producing and analysing these metrics, take into account the results of the **fraud indicator assessment** and any other, or equivalent, steps the provider has taken to understand how **fraudulent advertising** manifests on the service.

FAU F1.5 The provider (or third party if applicable) should conduct the testing:

- a) before the provider makes the tool available to **persons** using **advertising accounts**;
- b) as soon as practicable after the provider makes the tool available to **persons** using **advertising accounts**; and
- c) at appropriate regular periods thereafter.

FAU F1.6 As soon as reasonably practicable after conducting testing in accordance with FAU F1.3, the provider should review the results of the testing to identify and

take appropriate steps to mitigate the risk of the **advertisement generation tool** being used to create **fraudulent advertisements** or **fraudulent advertising proxy**.

- FAU F1.7 Following each test conducted in accordance with FAU F1.3, the provider should maintain a log of:
- a) who tested the advertisement generation tool, including whether the advertisement generation tool was tested by the provider or a third party;
 - b) the method(s) used to test the advertisement generation tool;
 - c) the metric(s) that were produced;
 - d) the results of the testing including an analysis of the metrics; and
 - e) the steps taken to mitigate the risk of the advertisement generation tool being used to create **fraudulent advertisements** or **fraudulent advertising proxy**.
- FAU F1.8 The provider should ensure that the log is made available and easily accessible to, and is referred to by:
- a) individuals working for or on behalf of the provider involved directly or indirectly in the development, testing and operation of the advertisement generation tool;
 - b) individuals involved in the annual review of the measures the provider has taken to comply with the **fraudulent advertising duties** (Recommendation FAU A1);
 - c) the individual accountable to the most senior **governance body** for compliance with the **fraudulent advertising duties** (under Recommendation FAU A2); and
 - d) individuals involved in carrying out a **fraud indicator assessment** or in equivalent steps the provider has taken to understand how **fraudulent advertising** manifests on the service.
- FAU F1.9 The provider should retain the log for at least:
- a) three years; or
 - b) the retention period set in the provider's record retention policies, whichever is longer.

G. Terms of Service

FAU G1 Terms of service: substance

Application

FAU G1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU G1.2 The provider should include provisions in the **terms of service** giving information about any **proactive technology** used for the purposes of compliance with the fraudulent advertising duty set out in section 38(1) of the **Act** (including the kind of technology, when it is used, and how it works).

FAU G2 Terms of service: clarity and accessibility

Application

FAU G2.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements**.

Recommendation

FAU G2.2 The provider should ensure that the provisions included in the **terms of service** in accordance with Recommendation FAU G1 are:

- a) easy to find, such that they are:
 - i) clearly signposted for the general public, regardless of whether they have registered with or are using the service; and
 - ii) locatable within the **terms of service**;
- b) laid out and formatted in a way that helps **United Kingdom users** read and understand them;
- c) written to a reading age comprehensible for the youngest individual permitted to use the service without the consent of a parent or guardian; and
- d) designed for the purposes of ensuring usability for those dependent on assistive technologies, including:
 - i) keyboard navigation; and
 - ii) screen reading technology.

H. Account Integrity

FAU H1 Account checks

Application

FAU H1.1 This measure applies to a *provider* in respect of each *Category 1 service* it provides on which *United Kingdom users* can *encounter relevant paid-for advertisements* except where, due to the degree of control the provider has in relation to the placement of *relevant paid-for advertisements* on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU H1.2 In addition to the policy set out and applied in accordance with Recommendation FAU H2, the provider should prepare and consistently apply a policy setting out:

- a) the checks the provider will carry out (including how those checks will be carried out) in relation to **advertising accounts** that are being set-up or have recently been set-up;
- b) that the checks at FAU H1.3(a) and (b) must be completed and passed before *United Kingdom users* are able to *encounter relevant paid-for advertisements posted* by a *person* using, or intending to use, the **advertising account**;
- c) the actions the provider will take where the checks are not passed;
- d) that the checks at FAU H1.3(c) must be completed for the provider to determine whether it needs to apply a restriction in accordance with FAU H1.3(d) to the **advertising account** before *United Kingdom users* are able to *encounter relevant paid-for advertisements posted* by a *person* using, or intending to use, the **advertising account**; and
- e) the circumstances in which the provider will carry out additional checks and actions in relation to the **advertising account** (see FAU H1.5), including when the provider will repeat checks and actions.

FAU H1.3 The “checks” and “actions” referred to in FAU H1.2 that must take place before a *relevant paid-for advertisement* is able to be *encountered* by *United Kingdom users* should, at a minimum, include the provider:

- a) taking steps to:
 - i) identify the relationship between the *person* using, or intending to use, the **advertising account** and the *person* being advertised; and
 - ii) verify that the *person* using, or intending to use, the **advertising account** works or acts for, or on behalf of, at least one of the *persons* being advertised;
- b) checking that the *person* using, or intending to use, the **advertising account** is not a **banned person**, which includes:
 - i) collecting any relevant information about the *person* using, or intending to use, the account; and

- ii) checking this information against information held by the provider on existing **banned persons**;
- c) checking whether an **advertising account** displays any characteristics which indicate a material risk of the account being used to **post a fraudulent advertisement** on the service. This includes:
 - i) identifying characteristics (which may be derived from the **fraud indicator assessment** or equivalent) which indicate a material risk of the **advertising account posting a fraudulent advertisement** on the service;
 - ii) identifying whether there is any information from the set-up of the **advertising account** which suggests the presence of any of those characteristics; and
 - iii) conducting further checks, where necessary, to determine whether the **advertising account** displays those characteristics;
- d) applying a restriction to the **advertising account** (see FAU H1.4) where the provider:
 - i) finds that, further to FAU H1.3(c), the account displays characteristics which indicate, either alone or in combination, a material risk of the account being used to **post a fraudulent advertisement** on the service, in order to mitigate that risk; or
 - ii) has reason to suspect the account may be used by a **banned person** (see Recommendation FAU H5); and
- e) removing any such restrictions placed on the **advertising account** only when it is satisfied that the material risk of the account **posting a fraudulent advertisement** on the service has been mitigated.

- FAU H1.4 For the purpose of Recommendation FAU H1.3(d) (but see FAU H1.3(e)), “applying a restriction” to an **advertising account** means the provider should, as a minimum, do one or more of the following:
- a) limit what the **advertising account** can spend over a period of time (for example, daily or weekly) for **posting relevant paid-for advertisements** on the service;
 - b) restrict the number of **United Kingdom users** that can **encounter relevant paid-for advertisements posted** on the service by the **advertising account**;
 - c) restrict **relevant paid-for advertisements** from being targeted at particular groups of **United Kingdom users**;
 - d) restrict the use of certain advertising formats which may be used to conceal or prevent the detection of a **fraudulent advertisement** being **posted** on the service;
 - e) review any **relevant paid-for advertisements posted** by the **advertising account** in accordance with Recommendation FAU C1.3 before they are able to be **encountered by United Kingdom users** on the service.

- FAU H1.5 For the purposes of Recommendation FAU H1.2(e), the provider should, as a minimum, in light of information from other **systems and processes** on the service:
- a) repeat checks and actions under FAU H1.2 and H1.3 in relation to an **advertising account** where:
 - i) the provider identifies changes to any information it considered when previously carrying out checks and actions under FAU H1.2 and H1.3; or
 - ii) the provider has reason to suspect that the previous checks and actions which have been carried out in relation to that account are no longer reliable;
 - b) carry out checks and actions under FAU H1.2 and H1.3 in relation to an existing **advertising account** in the circumstances described in its policy; and
 - c) carry out, or repeat, checks and actions (including restrictions) under FAU H1.2 and H1.3 in respect of existing **advertising accounts** where the provider has reason to suspect that the account may be being used by a **banned person** (see Recommendation FAU H5).
- FAU H1.6 The provider should prepare and publish a summary of the policy to enable **persons** using, or intending to use, **advertising accounts** to sufficiently understand the checks and actions the provider will carry out, taking account of the need to avoid the provision of information that might enable the policy to be circumvented.
- FAU H1.7 The provider should review and update the policy at least every 12 months and whenever there is a significant change to any aspect of the service's design or operation in relation to **relevant paid-for advertisements**, to ensure the policy remains effective (see also FAU H1.8).
- FAU H1.8 The provider should take the following into account when designing, reviewing and updating the policy:
- a) the findings of the most recent **fraud indicator assessment** it has carried out (or equivalent);
 - b) information relevant to account checks made available by independent experts in fraud, including reports made by **trusted flaggers**, and reports published by bodies with relevant expertise;
 - c) trends from previous advertising moderation decisions and analysis of such trends in relation to the effectiveness of restrictions (see FAU H1.4) placed on **advertising accounts**;
 - d) the service's design or operation in relation to **relevant paid-for advertisements**; and
 - e) changes to technology and methods used by providers to address, or by **persons** using **advertising accounts** to attempt, the following:
 - i) circumventing checks and actions to be carried out on **advertising accounts**; and
 - ii) **posting fraudulent advertisements** on the service.

- FAU H1.9 The provider should make and keep a written record of:
- a) the policy it has prepared in accordance with FAU H1.2;
 - b) any reviews of the policy in accordance with Recommendation FAU H1.7; and
 - c) any restrictions the provider places on **advertising accounts** (see FAU H1.3(d)),

for at least three years or the retention period set in the provider's record retention policies, whichever is longer.

Safeguards for freedom of expression and privacy

- FAU H1.10 Recommendations FAU J1, FAU J2 and FAU J4, so far as they relate to an **account appeal** by **United Kingdom users** against a decision by the provider to stop or restrict a **person** using, or intending to use, an **advertising account** under this measure, are safeguards to protect **United Kingdom users'** right to freedom of expression and the privacy of **United Kingdom users**.

FAU H2 Financial services verification

Application

- FAU H2.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU H2.2 In this Recommendation:

"Financial Services Register" means the record maintained by the Financial Conduct Authority under section 347 of FSMA;

"FSMA" means the Financial Services and Markets Act 2000 (c.8);

"legally permitted person" means a **person** who is permitted to issue financial promotions under section 21 of FSMA, namely because:

- a) they appear in the Financial Services Register as an authorised person;
- b) they are issuing financial promotions that are approved for the purposes of section 21 of FSMA by a **person** who meets subparagraph (a); or
- c) an exemption from the restrictions in section 21 of FSMA applies;

"Warning List" means the record maintained by the Financial Conduct Authority of **persons** who the Financial Conduct Authority is aware of as operating in the

United Kingdom without authorisation in accordance with the Financial Services Register.

FAU H2.3

In addition to the policy set out and applied in accordance with Recommendation FAU H1, the provider should prepare and consistently apply a policy in relation to **financial services advertisements**, setting out:

- a) that **financial services advertisements** will not be permitted on the service by a **person** using, or intending to use, an **advertising account** who:
 - i) is not a legally permitted person; or
 - ii) appears on the Warning List;
- b) whether the provider allows financial services advertisements from a **person** using, or intending to use, an **advertising account** who is a legally permitted person but is not a **person** who appears in the Financial Services Register as an authorised person;
- c) the types of **financial services advertisements** that a legally permitted person using, or intending to use, an **advertising account**:
 - i) can post on the service; and
 - ii) is prohibited from posting on the service;
- d) the verification the provider will carry out to verify that a **person** using, or intending to use, an **advertising account** to **post a financial services advertisement** is a legally permitted person, before the advertisement can be encountered by **United Kingdom users** (see FAU H2.4);
- e) the circumstances in which the provider will carry out additional verification in relation to an **advertising account** (see FAU H2.5) including when the provider will repeat verification;
- f) how the provider will find a **financial services advertisement**, or a **person** using an **advertising account** to **post financial services advertisements**, on the service; and
- g) the actions the provider will take where the verification at subparagraphs (d) and (e), and FAU H2.6, is not passed.

FAU H2.4

The “verification” referred to in FAU H2.3(d), that must take place before the advertisement is able to be **encountered** by **United Kingdom users**, should, at a minimum, include the provider verifying that the **person** using, or intending to use, the **advertising account** is:

- a) authorised by the Financial Conduct Authority according to the Financial Services Register;
- b) absent from the Warning List;
- c) **posting a financial services advertisement** that is approved for the purposes of section 21 of FSMA by a **person** who appears in the Financial Services Register as an authorised person, where the provider allows this under its policy (see FAU H2.3(b)); and
- d) where relevant, **posting a financial services advertisement** in respect of which an exemption from the restrictions in section 21 of FSMA applies, where the provider allows this under its policy (see FAU H2.3(b)).

- FAU H2.5 For the purposes of FAU H2.3(e), the provider should, as a minimum, carry out additional verification in the following circumstances (including in light of information from other *systems and processes* on the service):
- a) repeat the verification and actions under FAU H2.3 and H2.4 in relation to an **advertising account** where:
 - i) the provider becomes aware of changes to the authorisation of the *person* posting using, or intending to use, an **advertising account to post a financial services advertisement** in accordance with the Financial Services Register, or of changes which affect the status of the *person* using, or intending to use, an **advertising account to post a financial services advertisement** as a legally permitted person;
 - ii) the provider becomes aware of, changes to any information it considered when previously carrying out verification and actions under Recommendations FAU H2.3 and H2.4; or
 - iii) the provider has reason to suspect that the previous verification and actions which have been carried out in relation to that account are no longer reliable; and
 - b) carry out verification and actions under FAU H2.3 and H2.4 in relation to an existing **advertising account** in the circumstances described in its policy.

- FAU H2.6 Where a provider becomes aware of a **financial services advertisement**, or a *person* using an **advertising account to post financial services advertisements**, on the service, the provider should:
- a) determine whether the *person* using an **advertising account** that has posted such advertising has undergone verification in accordance with FAU H2.3 and H2.4;
 - b) if the *person* using an **advertising account** has not undergone such verification, the provider should ensure **United Kingdom users** cannot **encounter** the **financial services advertisement** until such time as the verification is passed; and
 - c) treat such advertising as a reason to suspect that it may be **fraudulent advertising** and take action in accordance with Recommendation FAU C1.3 where the provider:
 - i) completes the verification and actions at FAU H2.3 and H2.4 and finds that the **advertising account** is not permitted to **post financial services advertisements**; or
 - ii) does not permit such **financial services advertisements** on the service under its policy at FAU H2.3.

FAU H2.7 The provider should carry out the verification and actions in FAU H2.6 as soon as it becomes aware of a **financial services advertisement**, or a *person* using an **advertising account to post financial services advertisements** on the service.

FAU H2.8 The provider should prepare and publish a summary of the policy to enable *persons* using, or intending to use, **advertising accounts to post financial services advertisements** to sufficiently understand the verification the provider will carry out, taking account of the need to avoid the provision of information that might enable the policy to be circumvented.

FAU H2.9 The provider should review and update the policy at least every 12 months and whenever there is a significant change to any aspect of the service's design or operation in relation to **relevant paid-for advertisements**, to ensure the policy remains effective.

FAU H2.10 The provider should make and keep a written record of:

- a) the policy it has prepared in accordance with FAU H2.3;
- b) previous versions of policies it had prepared in accordance with FAU H2.3; and
- c) any reviews of the policy in accordance with FAU H2.9,

for at least three years or the retention period set in the provider's record retention policies, whichever is longer.

Safeguards for freedom of expression and privacy

FAU H2.11 Recommendations FAU J1, FAU J2 and FAU J4, so far as they relate to an **account appeal** by *persons* using, or intending to use, an **advertising account** against a decision by the provider to stop or restrict a person using, or intending to use, an **advertising account** under this measure, are safeguards to protect **United Kingdom users'** right to freedom of expression and the privacy of **United Kingdom users**.

FAU H3 Account security

Application

FAU H3.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU H3.2 In this Recommendation, "account security mechanism" is a mechanism, applicable to an **advertising account**, designed to secure the account from unauthorised access.

FAU H3.3 The provider should implement an account security mechanism for all **advertising accounts** on the service.

FAU H3.4 When considering the type of account security mechanism to implement, the provider should ensure that the following matters are taken into account:

- a) that the design of the account security mechanism should effectively reduce the risk of a **person** gaining unauthorised access to the **advertising account**;

- b) current industry standards and good practice in relation to account security;
- c) relevant guidance issued by UK government departments, agencies and law enforcement bodies; and
- d) that the mechanism reflects and is responsive to evolving trends or emerging risks relevant to account security.

FAU H3.5 The provider should monitor, maintain and update the account security mechanism's effectiveness over time, including by:

- a) conducting regular security testing; and
- b) reviewing the mechanism at least every twelve months or in response to technological developments or emerging risks (if sooner).

FAU H3.6 The provider should have **systems and processes** to restore access to **persons** who are authorised to access the **advertising account**, and who can no longer access the account as a result of the account security mechanism.

Safeguards for freedom of expression and privacy

FAU H3.7 FAU H3.6 is a safeguard to protect **United Kingdom users'** right to freedom of expression and the privacy of **United Kingdom users**.

FAU H4 Account takeover reporting

Application

FAU H4.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU H4.2 The provider should have a reporting function or tool in place which enables **persons** authorised to access an **advertising account** to make a report that a **person** has gained unauthorised access to the account.

FAU H4.3 The reporting function referred to in FAU H4.2 should be operated to ensure that:

- a) the reporting function or tool is easy to use and easily accessible;
- b) it is designed so that it only includes reasonably necessary steps;
- c) the **persons** who are authorised to access the **advertising account** referred to in FAU H2.2 are able to make reports without being logged into an **advertising account** on the service; and
- d) it is possible when making reports to give the provider supporting information.

- FAU H4.4 In designing the reporting function or tool referred to in FAU H2.2, the provider should consider the accessibility needs of its **United Kingdom user** base having regard to:
- a) relevant information the provider holds on **persons** using **advertising accounts**; and
 - b) industry standards and good practice as to the design of the service to ensure that the reporting process is accessible to disabled people.
- FAU H4.5 For the purposes of FAU H4.4(b), the reporting function or tool should be designed for the purposes of ensuring useability for those dependent on assistive technologies, including:
- a) keyboard navigation; and
 - b) screen reading technology.
- FAU H4.6 The provider should review a report referred to in FAU H4.2 promptly.
- FAU H4.7 The provider should take the following appropriate action where the provider determines, following the review of a report referred to in Recommendation FAU H4.2, that a **person** has gained unauthorised access to the **advertising account**:
- a) restore the authorised person's access to the **advertising account**, where it is possible and appropriate for the provider to do so; and
 - b) prevent the **advertising account** from being used to **post relevant paid-for advertisements** which can be **encountered** by **United Kingdom users** until:
 - i) access has been restored to the authorised person as referred to in Recommendation FAU H4.2; and
 - ii) the provider is satisfied the **advertising account** will no longer pose a risk of being used to **post fraudulent advertisements**.
- FAU H4.8 Where a **person** referred to in FAU H4.2 who makes a report is subject to a ban in accordance with Recommendation FAU H5, a provider should treat the report as an appeal against that ban.

FAU H5 Advertiser Bans

Application

- FAU H5.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

- FAU H5.2 The provider should ban (see FAU H5.3) a **person** using an **advertising account** who it determines to be responsible for **posting a relevant paid-for**

advertisement which the provider has determined (in accordance with Recommendation FAU C1) to be:

- a) a **fraudulent advertisement**; or
- b) **fraudulent advertising proxy**.

FAU H5.3 “Ban” means to prevent a **person** (“**banned person**”) from **posting relevant paid-for advertisements** by taking the following actions:

- a) preventing the **advertising account** that was used to **post the fraudulent advertisement** or **fraudulent advertising proxy** from being able to be used to **post relevant paid-for advertisements**; and
- b) taking reasonable steps to prevent the **banned person** from creating and using new **advertising accounts**, or using existing **advertising accounts** to **post relevant paid-for advertisements**, including:
 - i) taking reasonable steps to identify **advertising accounts** that may be being used by the **banned person**;
 - ii) carrying out account checks in accordance with Recommendation FAU H1, including repeat checks and actions in accordance with Recommendation FAU H1.5 where the provider has reason to suspect an **advertising account** is being used by the **banned person**; and
 - iii) preventing an **advertising account** from being able to be used to **post a relevant paid-for advertisement** where the provider determines it is being used by the **banned person**, or if it cannot make such a determination but still has reason to suspect an **advertising account** is being used by the **banned person**, applying a restriction in accordance with Recommendation FAU H1.4 to mitigate the risk of the account being used to **post fraudulent advertisements**.

FAU H5.4 Where the provider bans a **person** in accordance with FAU H5.2, it should also prevent the **advertising account** that was used to a **post a fraudulent advertisement** or **fraudulent advertising proxy** from being used to **post relevant paid-for advertisements** on any other **Category 1 service** it provides.

FAU H5.5 Where:

- a) pursuant to Recommendation FAS H5.3 in the Fraudulent Advertising Codes of Practice for Category 2A services, the provider prevents an **advertising account** from posting a **paid-for advertisement** that can be **encountered by United Kingdom users in or via search results** of a **Category 2A service** that it provides; and
- b) the account can also be used to **post relevant paid-for advertisements** on a **Category 1 service** that the provider provides,

the provider should prevent that account from being used to **post relevant paid-for advertisements** on the **Category 1 service**.

Safeguards for freedom of expression and privacy

- FAU H5.6 The following measures are safeguards to protect **United Kingdom users'** right to freedom of expression and the privacy of **United Kingdom users**:
- a) Recommendations FAU D1 and FAU D2, so far as they relate to **advertising appeals** against a decision by the provider to ban a **person** using an **advertising account** under this measure; and
 - b) Recommendations FAU D4 and FAU D5 (in relation to **advertising appeals** by a **person** using an **advertising account** against a decision by the provider to ban a **person** using an **advertising account** under this measure); and
 - c) Recommendations FAU J1, FAU J2 and FAU J4, so far as they relate to an **account appeal** by a **person** using an **advertising account** against a decision by the provider to ban a **person** using an **advertising account** under this measure.

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J. Account appeals

FAU J1 Enabling account appeals

Application

FAU J1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU J1.2 The provider should have **systems and processes**, including a reporting tool or function, which enables a **person** who has attempted to set-up, is using, or has previously used, an **advertising account** to make **account appeals** in a way which will secure that the provider will take appropriate action in relation to them.

FAU J2 Having easy to find, easy to access and easy to use account appeals systems and processes

Application

FAU J2.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU J2.2 The **systems and processes** referred to in FAU J1.2 should be operated to ensure that:

- a) processes for making **account appeals** are easy to find and easily accessible;
- b) they are designed so that they only include reasonably necessary steps; and
- c) it is possible when making **account appeals** to give the provider supporting information.

FAU J2.3 In designing the **systems and processes** referred to in Recommendation FAU J1.2, including its reporting tool or function, the provider should consider the accessibility needs of **persons** using **advertising accounts** having regard to:

- a) relevant information the provider holds on **persons** using **advertising accounts**; and

- b) industry standards and good practice as to the design of the service, to ensure the **account appeals** process is accessible to disabled people.

FAU J2.4 For the purposes of FAU J2.3(b), the **systems and processes** referred to in Recommendation FAU J1.2 should be designed for the purposes of ensuring usability for those dependent on assistive technologies including:

- a) keyboard navigation; and
- b) screen reading technology.

FAU J3 Appropriate action – determination

Application

FAU J3.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU J3.2 The provider should determine **account appeals** promptly.

FAU J4 Appropriate action – action following determination

Application

FAU J4.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** except where, due to the degree of control the provider has in relation to the placement of **relevant paid-for advertisements** on the service, Recommendation FAU K1 applies in respect of this measure.

Recommendation

FAU J4.2 Where the provider upholds an **account appeal**, the provider should, so far as possible for the purpose of restoring the position of the **person** who made the **account appeal** or the **relevant paid-for advertisement** (or both) to what it would have been had the decision not been made, reverse the action taken as a result of that decision.

K. Intermediaries

FAU K1 Reasonable endeavours to implement recommended measures

Application

FAU K1.1 This measure applies to a **provider** in respect of each **Category 1 service** it provides on which **United Kingdom users** can **encounter relevant paid-for advertisements** where, due to the degree of control a provider has in relation to the placement of **relevant paid-for advertisements** on the service, the provider cannot implement a measure (either entirely or in part) recommended in this Code (other than Recommendations FAU A1 to A6, FAU F1 and FAU G1 to G2).

Recommendation

FAU K1.2 Where a provider cannot implement a measure recommended in this Code, in whole or in part, the provider should use all reasonable endeavours to implement a version of that measure, or the relevant part of that measure, that is as similar to the measure as possible.

FAU K1.3 In this Recommendation, “all reasonable endeavours” should include, where applicable:

- a) requiring **advertising intermediaries** involved in the placement of **relevant paid-for advertisements** on the service to implement a version of the measure or the relevant part of it; and
- b) working with **advertising intermediaries** involved in the placement of **relevant paid-for advertisements** on the service to implement a version of the measure or the relevant part of it.

FAU K1.4 The provider should make and keep a written record, in an easily understandable form, of at least the following matters:

- a) which measures recommended in this Code it has been unable to implement, either entirely or in part, due to the degree of control a provider has in relation to the placement of **relevant paid-for advertisements** on the service;
- b) why it has been unable to implement each applicable measure; and
- c) what steps it has taken to comply with FAU K1.2, including any governance processes that have been followed, and the outcome of these steps.

FAU K1.5 The provider should retain the written record required by FAU K1.4 for at least:

- a) three years; or
- b) the retention period set in the provider’s record retention policies, whichever is longer.

5. Definitions and interpretation

- 5.1 Terms in **bold** used in these Codes have the meanings set out in table A. The meaning given applies even if the term is also used in the **Act**.
- 5.2 Terms in **bold and italics** used in these Codes have the same meaning as in the **Act**. Table B provides a reference to the provision(s) in the **Act** containing the definition of the relevant term as well as additional notes and references which are intended to assist the reader. In the event of any inconsistency between the **Act** and the information in table B, the **Act** should be regarded as authoritative.

Table A – Definition of terms in bold used in these Codes

Term	Meaning
Act	The Online Safety Act 2023 (c.50).
Account appeal	A complaint by a person who has attempted to set-up, is using, or who has previously used, an advertising account in relation to any of the following decisions, if the decision has been taken by the provider in relation to that person: <ol style="list-style-type: none"> a) the outcome (including restrictions) of the account checks and actions carried out in accordance with Recommendation FAU H1; b) the outcome of the verification and actions carried out in accordance with Recommendation FAU H2, including where a relevant paid-for advertisement which is not a fraudulent advertisement is taken down as a result; or c) the decision to ban the person in accordance with Recommendation FAU H5 where the person considers the ban should apply to another person using an advertising account.
Advertisement generation tool	As defined in Recommendation FAU F1.2.
Advertising account	An account which enables a person to post a relevant paid-for advertisement .
Advertising appeal	A complaint by a person using an advertising account about any of the following actions, if the action concerned has been taken by the provider on the basis that a relevant paid-for advertisement is a fraudulent advertisement or fraudulent advertising proxy : <ol style="list-style-type: none"> a) the relevant paid-for advertisement being taken down; b) that person becoming a banned person.

Term	Meaning
Advertising complaint	<p>The following kinds of complaints:</p> <ul style="list-style-type: none"> a) complaints (including advertising reports) by prospective advertising complainants about relevant paid-for advertisements present on a service which they consider to be fraudulent advertisements; and b) advertising appeals.
Advertising contracts	<p>The contracts the provider has in place with other parties regarding the placement of paid-for advertisements on the service.</p>
Advertising intermediary	<p>An actor within the online advertising supply chain (usually in an open display supply chain) that is involved in the automatic buying, selling and serving of online advertisements, operating between advertisers and providers selling advertising space on a service.</p>
Ad library	<p>As defined in Recommendation FAU E1.6.</p>
Advertising moderation function	<p>The systems and processes designed to review, assess and take action in relation to relevant paid-for advertisements that can be encountered by United Kingdom users on the service, including relevant paid-for advertisements a provider has reason to suspect may be fraudulent advertisements.</p>
Advertising reports	<p>Complaints by prospective advertising complainants about relevant paid-for advertisements present on a service which they consider to be fraudulent advertisements, made using a reporting function or tool provided by the service. This includes complaints made directly from an ad library about relevant paid-for advertisements that can be encountered on the service.</p>

Term	Meaning
Affected person	<p>An individual or entity, other than a person using an advertising account, who is in the United Kingdom and who, in relation to a relevant paid-for advertisement:</p> <ul style="list-style-type: none"> a) appears or is referred to in the advertisement; b) is a member of a class or group of people with a certain characteristic targeted by the advertisement; c) is a parent of, or other adult with responsibility for, a child who appears in the advertisement; or d) is an adult providing assistance in using the service to another adult who requires such assistance where that other adult appears in the advertisement.
Banned person	A person banned in accordance with Recommendation FAU H5.
Financial services advertisement	Any relevant paid-for advertisement that promotes, or is capable of promoting, financial products or services. This includes advertising for common types of financial services and products, including, but not limited to, investments, credit and loans, insurance, pensions, debt advice, and qualifying cryptoassets.
Fraudulent advertising duties	The duties set out in section 38 of the Act .
Fraudulent advertising proxy	<p>Relevant paid-for advertisements that a provider determines to be in breach of its terms of service, advertising contracts, or a combination of these when read together, where:</p> <ul style="list-style-type: none"> a) the provider has reason to suspect that the advertisement may be a fraudulent advertisement; and b) the provider is satisfied that its terms of service, advertising contracts or a combination of these when read together prohibit the type of fraudulent advertisement which it has reason to suspect exists.
Fraud indicator	As defined in Recommendations FAU B1.2.
Fraud indicator assessment	An assessment referred to in Recommendation FAU B1.2.
Governance body	A body which makes decisions within an organisation, for example a board of directors.
Paid-for advertising function	The systems and processes used in relation to the placement of paid-for advertisements on the service .

Term	Meaning
Post a financial services advertisement	Where a person using an advertising account is taking the steps necessary to make a financial services advertisement encounterable by United Kingdom users .
Post a fraudulent advertisement	Where a person using an advertising account is taking the steps necessary to make a fraudulent advertisement encounterable by United Kingdom users .
Post fraudulent advertising proxy	Where a person using an advertising account is taking the steps necessary to make fraudulent advertising proxy encounterable by United Kingdom users .
Post a relevant paid-for advertisement	Where a person using an advertising account is taking the steps necessary to make a relevant paid-for advertisement encounterable by United Kingdom users .
Prospective advertising complainant	The following persons : <ul style="list-style-type: none"> a) United Kingdom users; b) persons using an advertising account; c) users of the ad library; and d) affected persons.
Recommended trusted flagger	As defined in Recommendation FAU D7.2.
Regulated user-to-user service	A user-to-user service as defined in section 3 of the Act , which is a regulated user-to-user service under section 4 of the Act (subject to the disapplication in section 5 of the Act).
Relevant paid-for advertisements	Paid-for advertisements that are not regulated user-generated content in relation to the service .
Service	A Category 1 service .
Trusted flagger	An entity which is a recommended trusted flagger and any other person : <ul style="list-style-type: none"> a) whom the provider has reasonably determined has expertise in fraudulent advertisements; and b) for whom the provider has established a dedicated reporting channel.

Table B – Terms used in this Code that have the meaning given in the Act

Term	Meaning under the OSA
Category 1 service	<p>Section 95(10)(a)</p> <p>Section 95(2)(a) requires Ofcom to establish a register, a part of which sets out the regulated user-to-user services which Ofcom considers meet the Category 1 threshold conditions (as specified in regulations made under paragraph 1(1) of Schedule 11 to the Act).</p> <p>Ofcom’s 2026 register of categorised services</p> <p>Services for the time being included in that part of the register are Category 1 services.</p>
Category 2A service	<p>Section 95(10)(b)</p> <p>Section 95(2)(b) requires Ofcom to establish a register, a part of which sets out the regulated search services and combined services which Ofcom considers meet the Category 2A threshold conditions (as specified in regulations made under paragraph 1(2) of Schedule 11 to the Act).</p> <p>Ofcom’s 2026 register of categorised services</p> <p>Services for the time being included in that part of the register are Category 2A services.</p> <p>A regulated search service is an internet service (see the entry for “internet service” regarding the definition of that term) that is, or includes, a search engine (see the entry for “search engine” regarding the definition of that term) (subject to section 3(5) to (7)) that is a regulated search service under section 4 (subject to the disapplication in section 5).</p> <p>See the entry for “combined service” regarding the definition of that term.</p>
Child	<p>Section 236(1)</p>
Combined service	<p>Section 4(7)</p> <p>Paragraph 7(2) of Schedule 1 sets out the conditions to be met for a search engine not to be considered a public search engine. See the entry for “search engine” regarding the definition of that term.</p> <p>A “regulated user-to-user service” is a “user-to-user service” (see the entry for “user-to-user service” regarding the definition of that term) which is a regulated user-to-user service under section 4 (subject to the disapplication in section 5).</p>
Content	<p>Section 236(1)</p>

Term	Meaning under the OSA
	<p>See the entry for “internet service” regarding the definition of that term.</p> <p>See section 232 in relation to content communicated “publicly” or “privately”.</p>
Encounter (in relation to content)	Section 236(1)
Fraudulent Advertisement	<p>Section 38(3)</p> <p>“Fraudulent advertising” is to be read accordingly.</p>
Internet service	<p>Section 228(1) and section 204(1)</p> <p>Section 228(2) and (3) describe what is meant by a service that is made available by means of the internet.</p>
Paid-for advertisement	<p>Section 236(1)</p> <p>See the entries for “internet service” and “systems and/or processes”.</p>
Person	Section 236(1)
Proactive technology	<p>Section 231(1)</p> <p>Section 231(2) defines “content identification technology”. Section 231(3) describes situations where content identification technology will not be proactive technology.</p> <p>Section 231(4) defines “user profiling technology”. Section 231(5) explains when technology will not be user profiling technology.</p> <p>Section 231(6) defines “behaviour identification technology”. Section 231(7) explains when this technology will not be proactive technology.</p> <p>Section 231(8) to (13) contain further interpretative provisions. See the entries for “combined service”, “content”, “internet service”, “search engine”, “regulated user-generated content”, “search content”, “user”, “user generated content” and “user-to-user service” regarding the definition of those terms.</p> <p>Section 125(12) and (13) define “accredited technology”.</p> <p>Sections 3(4) and 204(1) define “search service”. Section 236(1) defines “personal data”. Section 4(4) defines “regulated service”.</p> <p>A “regulated user-to-user service” is a “user-to-user service” (see the entry for “user-to-user service” regarding the definition of that term) which is a regulated user-to-user service under section 4 (subject to the disapplication in section 5).</p>

Term	Meaning under the OSA
	Section 55(2) defines “regulated user-generated content”. Section 55(5) to (12) contain interpretative provisions. Section 55(3) and (4) define “user-generated content”. Section 55(4) provides interpretation of the scope of “content generated, uploaded or shared by a user” and explains when a bot or other automated tool may be regarded as a user of a service.
Provider	Section 226 See the entries for “combined service”, “internet service”, “search engine and “user” regarding the definitions of those terms. Sections 3(4) and 204(1) define “search service”.
Publicly available	Section 236(1)
Regulated user-generated content	Section 55(2) Sections 55(5) to (12) contain interpretative provisions. A “regulated user-to-user service” is a “user-to-user service” (see the entry for “user-to-user service” regarding the definition of that term) which is a regulated user-to-user service under section 4. See the entries for “content”, “user” and “user generated content” regarding the definitions of those terms. Section 236(1) defines “identifying content”. Section 56 defines “recognised news publisher”
Search engine	Section 229 See the entries for “internet service” and “user-to-user service” regarding the definitions of those terms.
Systems and/or processes	Section 236(1)
Taking down (content)	Section 236(1) See the entries for “content” and “user-to-user service” regarding the definitions of those terms.
Terms of service	Section 236(1) See the entries for “United Kingdom user” and “user-to-user service” regarding the definitions of those terms.
United Kingdom user	Section 227(1) See the entry for “user” regarding the definition of that term.
User	Section 227(2) to (3) Section 227(3) sets out individuals and entities that will not be users for the purposes of the Act . Section 227(4) to (6) provide

Term	Meaning under the OSA
	<p>further interpretation of terminology used throughout section 227.</p> <p>See the entries for “internet service”, “search” “search engine” and “user-to-user service” regarding the definitions of those terms. Sections 3(4) and 204(1) define “search service”. Section 228(2) and (3) describe what is meant by a service that is made available by means of the internet.</p>
<i>User-generated content</i>	<p>Section 55(3) and (4)</p> <p>See the entries for “user” and “user-to-user service” regarding the definition of those terms.</p> <p>Section 55(4) provides interpretation of the scope of “content generated, uploaded or shared by a user” and explains when a bot or other automated tool may be regarded as a user of a service.</p>
<i>User-to-user service</i>	<p>Section 3(1) and (2) and section 204(1)</p> <p>See the entries for “content”, “encounter”, “internet service” and “user” regarding the definitions of those terms.</p>

DRAFT FOR COMMENT