

ENFORCEABLE UNDERTAKING GIVEN TO THE AUSTRALIAN COMMUNICATIONS AND MEDIA AUTHORITY BY SOUTHERN PHONE COMPANY LIMITED (ABN 42 100 901 184) UNDER SECTION 572B OF THE TELECOMMUNICATIONS ACT 1997 CTH

1. Definitions

- 1.1. In this Undertaking:
- 1.1.1. **ACMA** means the Australian Communications and Media Authority.
 - 1.1.2. **Act** means *Telecommunications Act 1997* (Cth).
 - 1.1.3. **Business day** means a day that is not a Saturday, Sunday or public holiday in Victoria.
 - 1.1.4. **Carriage service provider (CSP)** has the meaning given in the Telecommunications (Mobile Number Pre-Porting Additional Identity Verification) Industry Standard 2020.
 - 1.1.5. **Commencement date** has the meaning given in subclause 2.1.
 - 1.1.6. **End User** means a person with a contractual relationship with a Carriage Service Provider and to whom the Carriage Service Provider has issued a mobile service number.
 - 1.1.7. **Implementation Plan** means the plan prepared by SPC in response to the Independent Consultant's Report referred to in subclause 8.1.
 - 1.1.8. **Independent Consultant** means a qualified and independent consultant expert relating to business procedures and systems including business regulatory compliance systems and processes.
 - 1.1.9. **Online Channels** means the online channels operated by SPC: AGL Telco Online channel and Southern Phone Online channel.
 - 1.1.10. **PPV Standard** means the Telecommunications (Mobile Number Pre-Porting Additional Identity Verification) Industry Standard 2020.
 - 1.1.11. **Relevant Provisions** means subsections 8(2) and 8(5) of the PPV Standard.
 - 1.1.12. **Report** means the report produced by the Independent Consultant referred to in subclause 7.1.
 - 1.1.13. **Risk Committee** means the Customer Markets Risk Governance Committee of Southern Phone Company Limited.
 - 1.1.14. **Senior Executive Service** means the Senior Executive Service constituted by subsection 35(1) of the *Public Service Act 1999* (Cth).
 - 1.1.15. **SPC** means Southern Phone Company Limited (ABN 42 100 901 184).
 - 1.1.16. **Term** means the period when the Undertaking is effective referred to in subclause 2.2.
- 1.2. Unless the contrary intention appears, terms that are defined in the Act or Standard have the same meaning in this Undertaking as they have in the Act or the Standard.

2. Term of the Undertaking

- 2.1. This Undertaking executed on 20 November 2025 (the **Commencement date**) has been amended pursuant to subsection 572B(3) of the Act on 27 February 2026.
- 2.2. This Undertaking ceases to have effect 36 months after the Commencement date unless:
 - 2.2.1. the ACMA consents in writing to the earlier withdrawal of the Undertaking in accordance with subsection 572B(3) of the Act, in which case the Undertaking

- ceases to have effect from the day on which the ACMA specifies in its written consent; or
- 2.2.2. it is cancelled by the ACMA under subsection 572B(4) of the Act, in which case the Undertaking ceases to have effect from the date specified by the ACMA in its written notice; or
- 2.2.3. prior to that time, the ACMA receives a notification under paragraph 5.4 or the ACMA is otherwise notified of SPC's decision to re-commence supplying services to End Users in Australia, at which point the term of this Undertaking will be extended for an additional 24 months from the date the ACMA is made aware of SPC's decision.
- 2.3. This Undertaking may be varied by SPC in accordance with subsection 572B(3) of the Act, in which case this Undertaking will have effect as varied in accordance with the consent granted by the ACMA.
- 2.4. Any variation, notice or approval required or permitted to be given by the ACMA under this Undertaking may be given by any ACMA Authority member or by any ACMA staff member who is a member of the Senior Executive Service.

3. Background

- 3.1. The ACMA is responsible for monitoring and enforcing compliance by CSPs with their obligations under the Act.
- 3.2. Subsection 128(1) of the Act states that if an industry standard that applies to participants, in a particular section of the telecommunications industry is made under Part 6 of the Act, each participant in that section of the industry must comply with the standard.
- 3.3. The PPV Standard is an industry standard made under Part 6 of the Act. The PPV Standard applies to participants in the telecommunications industry, including mobile CSPs.
- 3.4. SPC is a mobile CSP that supplies telecommunications services to the public.
- 3.5. The PPV Standard requires the gaining CSP prior to initiating a port of a mobile service number, to use additional identity verification processes to confirm that the person requesting a port:
- 3.5.1. is the rights of use holder (or their authorised representative) for the mobile service number to be ported; and
- 3.5.2. has access to a mobile device associated with that mobile service number.
- 3.6. Subsection 8(5) of the PPV Standard states that a gaining mobile CSP must not proceed with a mobile service number port unless an additional identity verification set out in subsections 8(2) or (3) has been used.
- 3.7. On 21 March 2025, the ACMA commenced an investigation into SPC's compliance with the PPV Standard.
- 3.8. SPC had, and continues to have, a system for each of its Online Channels (and agent assisted (CRM) channels) that is intended to achieve compliance with the PPV Standard by preventing mobile ports from proceeding until after additional identity verification set out in subsection 8(2) of the PPV Standard has been successfully completed.
- 3.9. Shortly after the investigation commenced, SPC identified a vulnerability in the

backend website process for one of the Online Channels that allowed an unauthorised user/s to proceed with a mobile port to SPC without completing pre-port verification as required by subsection 8(2) of the PPV Standard. SPC identified that a third-party bad actor/s had exploited this vulnerability on numerous occasions.

- 3.10. On 26 March 2025, upon identifying the vulnerability, SPC immediately implemented a fix to address the issue. No further exploitation of the vulnerability has been detected by SPC since 26 March 2025.
- 3.11. On 28 July 2025, the ACMA notified SPC that the ACMA had reasonable grounds to believe that, between 16 July 2024 to 24 February 2025, SPC contravened subsection 128(1) of the Act by contravening subsections 8(2) and (5) of the PPV Standard.
- 3.12. The contraventions described in subclause 3.11 are attributable to the incident described in subclauses 3.9 and 3.10.
- 3.13. SPC acknowledges that it did not, at the time, have sufficient systems in place to prevent the occurrence of the contraventions, and SPC accepts the ACMA's findings.
- 3.14. SPC takes regulatory compliance seriously and has cooperated with the ACMA's investigation.
- 3.15. Having regard to the potential occurrence of the events contemplated by subclause 5.2, SPC offers this varied undertaking to the ACMA.

4. Remedial actions taken by SPC

- 4.1. Since detecting fraudulent activity described in subclause 3.9, SPC has put in place the following improvements to the impacted Online Channel to better enable compliance with the PPV Standard:
 - 4.1.1. immediately, in late March 2025, implemented a fix to address the identified vulnerability;
 - 4.1.2. implemented enhanced security measures, including strengthening monitoring and alerts, to ensure that any suspicious activity is promptly identified;
 - 4.1.3. carried out internal and external penetration testing to ensure systems are robust; and
 - 4.1.4. strengthened potential fraud monitoring processes to ensure timely detection and response to suspicious behaviour and activity.

5. Undertaking

- 5.1. Subject to clause 6, SPC undertakes to take the actions specified in subclauses 7.1 to 7.4 and 8.1 to 8.6 and clauses 9, 10 and 11 below.
- 5.2. SPC is changing its business model by transferring its present Australian customer base to an unrelated Australian mobile CSP. While products and services will continue be promoted under the 'AGL Telecommunications' brand, all SPC customer contracts and all fulfilment activity in respect of those products and services will be undertaken by the unrelated Australian mobile CSP. SPC expects to no longer provide any mobile services in Australia by December 2026 and to no longer be a CSP, and this Undertaking is offered in this context.
- 5.3. SPC undertakes to provide written notification to the ACMA at the date they no longer provide mobile telecommunications services to End Users in Australia (Notification Date).

- 5.4. SPC undertakes to provide written notification to the ACMA at least 30 calendar days prior to any subsequent decision to re-commence providing mobile services to End Users in Australia while this Undertaking is in effect.
6. The obligations in this Undertaking apply as follows:
- 6.1. Clauses 7 and 8, and Clause 11 (to the extent it relates to the Independent Consultant review) apply only in the event SPC re-commences supplying mobile services to End Users in Australia after the Notification Date.
- 6.2. Clauses 9 and 10, and Clause 11 (to the extent it relates to training) apply from the Commencement Date to whichever of the following dates falls later: 30 November 2026, or the day after the date on which SPC has migrated its last Australian End User to another mobile CSP.
- 6.3. After the end of the period described in subclause 6.2, clauses 9, 10 and 11 will only apply in the event SPC re-commences supplying mobile services to End Users in Australia after the Notification Date.

7. Independent Consultant Review

- 7.1. SPC undertakes to appoint an Independent Consultant to:
- 7.1.1. review the current systems, processes and practices that SPC has in place relating to its compliance with the Relevant Provisions for its Online Channels.
- 7.1.2. identify any instances where the Independent Consultant considers that there is non-compliance with the Relevant Provisions in respect of the Online Channels.
- 7.1.3. within 6 months of the appointment, produce a confidential report and provide it simultaneously to SPC and the ACMA (**Report**), that:
- (a) sets out the extent to which SPC's current systems, processes and practices in respect of the Online Channels (including because of the remedial actions set out in clause 4 above) are sufficient to achieve compliance with the Relevant Provisions for those Online Channels; and
- (b) makes any recommendations for:
- (i) improvements to SPC's systems, processes and practices for Online Channels that are required to achieve compliance with the Relevant Provisions where the Independent Consultant considers that a system, process or practice in respect of the Online Channels is non-compliant with the Relevant Provisions;
- (ii) improvements to the security measures in place to protect SPC's systems (such as regular assurance measures including a review of security assessments, penetration testing and patching schedules) that are required to achieve compliance with the Relevant Provisions for the Online Channels;
- (iii) improvements to the training program implemented in accordance with clause 10 where improvements to training are required to achieve compliance with the Relevant Provisions for the Online Channels;
- (iv) improvements to ongoing monitoring where improvements are required to achieve compliance with the Relevant Provisions for the Online Channels; and
- (v) steps that may be taken by SPC to address any identified systemic problems relating to its compliance with the Relevant Provisions for the Online Channels.
- 7.2. SPC undertakes to seek written approval from the ACMA for the appointment of the proposed Independent Consultant within 20 business days of the date on which SPC

re-commences supplying mobile services to End Users in Australia (Re-commencement Date). If the ACMA does not approve the choice of Independent Consultant, SPC will repeat this process until it has the ACMA's written approval.

- 7.3. SPC undertakes to appoint the Independent Consultant, and to provide written notification of that appointment to the ACMA, within 10 business days after the ACMA has given its written approval for the appointment of the Independent Consultant.
- 7.4. SPC undertakes to provide the Report to the Risk Committee at the next meeting of that committee following SPC's receipt of the Report.
- 7.5. Subject to the ACMA's written agreement, SPC may remove the Independent Consultant at any time and replace the Independent Consultant with a new Independent Consultant approved by ACMA.

8. Implementation Plan

- 8.1. Within 40 business days of receiving the Report, SPC will prepare an implementation plan setting out:
 - 8.1.1. the steps SPC has taken, or will take, to address the recommendations made by the Independent Consultant in the Report;
 - 8.1.2. the timeframe for implementation of each recommendation; and
 - 8.1.3. an explanation for any recommendation in the Report where steps to address the recommendation are not included in the implementation plan.
- 8.2. Within 50 business days of receiving the Report, SPC will provide a copy of the Implementation Plan to the ACMA that has been approved by the Risk Committee.
- 8.3. SPC will provide the Risk Committee with quarterly reports about its progress in implementing the recommendations contained in the Implementation Plan.
- 8.4. SPC undertakes to comply with the Implementation Plan in accordance with the timeframes specified in the plan.
- 8.5. SPC will provide the ACMA with 6-monthly reports about the status of actions under the Implementation Plan.
- 8.6. SPC will provide its first report required by subclause 8.5 no later than 7 months after the Implementation Plan is provided to the ACMA in accordance with subclause 8.2. SPC may, at its discretion, bring forward the date for providing its first report under this subclause to align its reporting requirements to the ACMA with the reports to be provided under subclause 9.4.
- 8.7. The obligation to provide reports to ACMA under subclause 8.5 will cease at the end of the term or earlier if a report has been provided by SPC advising that all recommendations have been fully implemented (or otherwise addressed in SPC's written response to the recommendations).
- 8.8. The Implementation Plan may be modified by SPC at any time subject to the ACMA's written approval. Any request by SPC for a modification must be made in writing to the ACMA accompanied by an explanation for the proposed modification.

9. Monitoring, audit and reporting

- 9.1. SPC will monitor the following for its Online Channels, for each calendar month:
 - 9.1.1. Number of mobile numbers ported-in to SPC, separated by channel and by completed and withdrawn requests;
 - 9.1.2. Number of port-reversal requests received for each channel;
 - 9.1.3. Number of mobile number termination requests made by the Rights of Use

- holder or their authorised representative; and
- 9.1.4. Number of ports that were non-compliant with the Relevant Provisions (if any).
- 9.2. SPC will monitor and assess its Online Channels, for each calendar month:
- 9.2.1. ports that are non-compliant with the Relevant Provisions;
- 9.2.2. consumer complaints received about alleged non-compliance with the PPV Standard;
- 9.2.3. any reports or indications of mobile number fraud that are related to the ports identified in subclause 9.2.1;
- 9.2.4. all action taken and/or any planned remediation for any of the items from subclauses 9.2.1 and 9.2.2 (including dates).
- 9.3. SPC will provide a quarterly report of the information from subclauses 9.1 and 9.2 to the Risk Committee.
- 9.4. Within 7 months of the Commencement Date, and on 6-monthly intervals thereafter, SPC will provide a report approved by the chair of the Risk Committee to the ACMA that covers the first 6-month period from the Commencement date (and sequential 6-monthly periods thereafter for subsequent reports) and includes:
- 9.4.1. The information listed in subclause 9.1;
- 9.4.2. The information listed in subclause 9.2 including the mobile number involved but otherwise de-identified; and
- 9.4.3. analysis/explanation for any unauthorised porting or mobile porting fraud identified.
- 9.5. For the first report due within 7 months of the Commencement date, SPC is required to:
- 9.5.1. review its current systems, processes and practices that it has in place relating to its compliance with the Relevant Provisions for its Online Channels.
- 9.5.2. provide a detailed explanation as to the root cause of any non-compliance identified since the Commencement Date and outline the remedial steps SPC has taken to ensure it does not occur again.

10. Training

- 10.1. SPC undertakes to provide the training set out in subclause 10.2 to SPC employees from the following groups who are tasked with ensuring compliance with the PPV Standard for the Online Channels, or who are involved in the identification of potential mobile porting fraud on the Online Channels:
- 10.1.1. Service Delivery & Assurance team (an operational team that are responsible for managing mobile porting);
- 10.1.2. fraud team;
- 10.1.3. complaints teams;
- 10.1.4. specialist telco agents who deal with mobile porting enquiries; and
- 10.1.5. direct line managers of any of the above.
- 10.2. SPC will provide training to the SPC employees listed in subclause 10.1 regarding:
- 10.2.1. the function and requirements of the PPV Standard;
- 10.2.2. the obligations imposed on SPC by the PPV Standard; and
- 10.2.3. the processes required of SPC and its staff to comply with SPC's obligations under the PPV Standard.
- 10.3. SPC undertakes to provide the training at described in subclauses 10.1 and 10.2 for:

- 10.3.1. all existing relevant SPC employees within 90 business days of the Commencement date; and
- 10.3.2. all new relevant SPC employees within 6 weeks of an employee's commencement in a relevant role or return from a period of leave, if that employee has not previously undertaken the training described in the last 12 months.
- 10.4. SPC undertakes to repeat the training described in subclause 10.2 every 12 months after the initial training is completed for the duration of the Term.
- 10.5. SPC undertakes to provide the ACMA with written notice that it has undertaken training referred to in subclauses 10.1 to 10.3 when that training has been completed.

11. Record-keeping

- 11.1. SPC undertakes to keep written records of:
 - 11.1.1. training provided to staff pursuant to this Undertaking; and
 - 11.1.2. steps taken in accordance with the Implementation Plan.
- 11.2. SPC undertakes to provide copies of records referred to in this clause to the ACMA within 20 business days after a written request by the ACMA.

12. Acknowledgment of publication

SPC acknowledges that the ACMA may:

- 12.1. issue a media release on execution of this Undertaking referring to its terms;
- 12.2. publish this Undertaking and make this Undertaking available for public inspection; and
- 12.3. refer to this Undertaking publicly from time to time.

Execution

SIGNED by an authorised representative for
SOUTHERN PHONE COMPANY LIMITED

SIGNED by an authorised representative for the
**AUSTRALIAN COMMUNICATIONS AND
MEDIA AUTHORITY**



Signature of Authorised Representative

Melinda Hunter

Name of Authorised Representative

Director

Title of Authorised Representative

26.02.2026

Date of Signature



Signature of Authorised Representative

Jeremy Fenton

Name of Authorised Representative

Executive Manager, Unsolicited
Communications and Scams

Title of Authorised Representative

27 February 2026

Date of Signature