

Press release: Director banned for making cold calls to sell call blocking devices

The Secretary of State for Business, Energy and Industrial Strategy accepted a disqualification undertaking from Leah Kimberley Masters, disqualifying her for six years.

The company was telephoning people to sell a call-blocking device to stop unsolicited calls.

They failed to comply with the rules under the Privacy and Electronic Communications Regulations, resulted in at least 382 unsolicited marketing calls being made to members of the public who were registered with the Telephone Preference Service (TPS) and who had not consented to receive such calls.

In December 2013, the Information Commissioner's Office (ICO) informed CCEL that it had received complaints from individual subscribers to TPS that they had received unsolicited marketing calls from CCEL. As a result, CCEL were asked about their compliance with the regulations.

In January 2014 the company informed the ICO that it had purchased the data it used to make the calls from a third party and had not itself screened the data against the TPS. The Company suggested that it would put in place further measures to ensure a reduction in complaints regarding unsolicited marketing calls. The ICO placed the company under a 3 month monitoring period, during which time complaints continued.

Following a meeting in August 2014 the company was placed under further monitoring but after an initial improvement complaints continued to be made. Between 14 June 2013 and 31 March 2015 the TPS received 382 complaints. A notice of intent to issue a monetary penalty was issued to CCEL by the ICO in July 2015.

In September 2015 a fine of £75,000 was issued against CCEL for making unsolicited marketing calls to sell cold calling devices.

The fine was not paid by the due date (15 October 2015) and as a result the ICO issued a winding up petition against the company which led to the company entering into voluntary liquidation proceedings on 8 December 2016.

The Insolvency Service is continuing to work very closely with the ICO to take action in cases where these breaches are discovered.

Commenting on the disqualification, David Brooks, Chief Investigator at the Insolvency Service, said:

This is a serious case where the actions of the director and the company have caused distress to members of the public in contravention of UK and EC regulations.

This ban reflects the seriousness of these actions and the robust stance that the Insolvency Service will take against those whose conduct falls below accepted commercial standards.

Andy Curry, Enforcement Group Manager at the Information Commissioner's Office, said:

The people behind nuisance calls cause upset and distress and we're in the business of cracking down on them.

We will pursue all options in the event of unpaid fines, and work closely with other regulators such as the Insolvency Service and Claims Management Regulator. The disqualification of a director behind a nuisance call firm is another welcome step in the fight.

Leah Kimberley Masters is of Chichester and her date of birth is January 1984.

Cold Call Elimination Limited (Co. No. 08388416) was incorporated on 5 February 2013 and traded as a Telephone Marketing Company at Suite 1 Metro House, Northgate, Chichester, PO19 1BE. Leah Kimberley Masters was the sole director of the company.

The company utilised data obtained from a third party to market an electronic call blocking device that would allow vulnerable people and others to block nuisance calls.

A number of complaints to the Telephone Preference Service and the Information Commissioners office led to contact between the company and the ICO. Following a meeting held in August 2014 between the company and the ICO, concerns regarding the call data, the data suppliers used by CCEL and the outbound calls scripts used were discussed.

In July 2015 the Company received notice from the ICO of their intention to impose a fine of £75,000. The company attempted to appeal but the fine was upheld and in September 2015 the fine was formalised.

In October 2016 the Company became aware of a winding up Petition presented by the ICO for the unpaid fine, and as a result of advice received entered into voluntary Liquidation on 8 December 2016.

At Liquidation the company had assets of £14,000 and liabilities of £145,958 of which £75,000 was due to the ICO.

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

- act as a director of a company
- take part, directly or indirectly, in the promotion, formation or management of a company or limited liability partnership
- be a receiver of a company's property

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Persons subject to a disqualification order are bound by a [range of other restrictions](#).

The Insolvency Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy (BEIS), administers the insolvency regime, and aims to deliver and promote a range of investigation and enforcement activities both civil and criminal in nature, to support fair and open markets. We do this by effectively enforcing the statutory company and insolvency regimes, maintaining public confidence in those regimes and reducing the harm caused to victims of fraudulent activity and to the business community, including dealing with the disqualification of directors in corporate failures.

BEIS' mission is to build a dynamic and competitive UK economy that works for all, in particular by creating the conditions for business success and promoting an open global economy. The Criminal Investigations and Prosecutions team contributes to this aim by taking action to deter fraud and to regulate the market. They investigate and prosecute a range of offences, primarily relating to personal or company insolvencies.

The agency also authorises and regulates the insolvency profession, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

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