

**TELECOMMUNICATIONS ACT  
(CHAPTER 323, SECTION 26(1)(b) and (c))**

**CODE OF PRACTICE FOR PROVISION OF PREMIUM RATE SERVICES**

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**TELECOMMUNICATIONS ACT  
(CHAPTER 323, SECTION 26(1)(b) and (c))**

**CODE OF PRACTICE FOR PROVISION OF PREMIUM RATE SERVICES**

In the exercise of the powers conferred by section 26(1)(b) and (c) of the Telecommunications Act, the Info-communications Development Authority of Singapore hereby issues the following code of practice:

**1 PRELIMINARY**

**1.1 Citation and commencement**

1.1.1 This Code may be cited as the Premium Rate Services Code and shall come into operation on 16 December 2007.

**1.2 Interpretation**

1.2.1 In this Code, unless the context otherwise requires –

“Act” means the *Telecommunications Act* (Cap.323);

“advertisement” means any form of communication for services offered regardless of the medium used which draws or is likely to draw the attention of the public, or a member or a segment of it, to a service in a manner calculated to promote, directly or indirectly, that service and includes but is not limited to –

- (a) advertisements in newspapers (including classified advertisements), magazines, brochures, leaflets, circulars, mailings, posters, plastic cards (including fare cards, cash cards), tickets and other printed publications;
- (b) advertisements via facsimile transmissions and aerial announcements;
- (c) advertisements displayed on buildings and vehicles;
- (d) television, radio, cinema and video commercials;
- (e) advertisements in information network services, electronic bulletin boards, on-line databases and Internet services;
- (f) advertisements in non-broadcast media such as computer games;
- (g) mail orders;
- (h) sales promotions;

- (i) mailing lists;
- (j) digital communications in every format, design and context including the world-wide web (Internet); and
- (k) advertisements communicated via telephone and electronic messaging,

and the terms “advertise” and “advertising” shall be construed accordingly;

“billing network operator” means a network operator that bills and collects payment from any person for the charges incurred for use of a premium rate service provided by a premium rate service provider over the network operator’s public telecommunications network;

“charge” includes –

- (a) the actual collection of payment; and
- (b) any act which conveys the impression to a person that he is required or obliged to pay for a service such as the issuance of a bill. For the avoidance of doubt, a premium rate service provider shall be treated as having charged a person for its premium rate service when a billing network operator issues a bill to such person for the service;

“electronic messaging” means the sending of a message over a public telecommunications network via an electronic messaging system including but not limited to e-mail, short message service and multimedia message service but excludes voice calls made using a telephone service;

“end user” means a person who agrees to purchase or subscribe to or who has purchased or subscribed to the relevant premium rate service, but shall not include the purchaser or subscriber of a wholesale premium rate service;

“IDA” means the Info-communications Development Authority of Singapore constituted under the *Info-communications Development Authority of Singapore Act (Cap.137A)*;

“licensee” means a person to whom a licence has been granted under section 5 of the Act or any regulations made under the Act;

“network operator” means a licensee who operates a public telecommunications network;

“premium rate service” means any value-added service provided over a public telecommunications network which consists of –

- (a) the provision of content to any person including but not limited to content such as information, news, updates, data, quizzes, jokes, greeting messages, ringtones, wallpapers, logos and games for which charges are imposed over and above the standard network charges of the relevant network operator;
- (b) the provision of a facility to any person including but not limited to facilities for chat services, contest participation, charitable fundraising and votelines for which charges are imposed over and above the standard network charges of the relevant network operator; or
- (c) a combination of (a) and (b),

but shall not include value-added services provided by network operators such as auto redial, back-up SIM card, call barring, call directory, call divert, call transfer, call waiting, caller ID, caller number non-display, conference call, favourite numbers, IDD, missed call alert, multi-SIM card, number retention, number porting, mobile voice and message roaming, speed dial, voicemail or video call services;

“premium rate service provider” means a licensee that engages in the provision of a premium rate service. For the avoidance of doubt, –

- (a) a network operator that enables a third party premium rate service provider to provide a premium rate service over its network shall not be treated as the premium rate service provider of that service;
- (b) a network operator who itself provides a premium rate service over its network shall be treated as the premium rate service provider of that service; and
- (c) where a licensee, such as an aggregator, facilitates the provision of a premium rate service that is controlled, managed or operated by any other party who is not a licensee, the facilitating licensee shall be treated as the premium rate service provider of that service and shall be responsible for complying with this Code notwithstanding that the service is controlled, managed or operated by the other party;

*Illustration: Licensee A leases a 5-digit short code from a network operator and enters into an arrangement with Company B, a non-licensee, under which Licensee A enables Company B to deliver a premium rate service to consumers via the short code. Licensee A shall be treated as the premium rate service provider of that premium rate service notwithstanding that it is operated by Company B.*

“public telecommunications network” means any fixed or mobile telecommunications network in Singapore;

“purchase keyword command” means the unique text message designated by a premium rate service provider to enable a person to purchase or subscribe for its premium rate service via electronic messaging by sending a message containing the designated text message to the premium rate service provider;

“subscription-based”, in relation to a premium rate service, means a premium rate service where the end user is or will be obtaining the service for a fixed (e.g. weekly, monthly, etc) or continuous duration; and

“unsubscription keyword command” means a unique text message designated by a premium rate service provider to enable an end user to unsubscribe from a premium rate service via electronic messaging by sending a message containing the designated text message to the premium rate service provider.

1.2.2 The illustrations and examples cited in this Code are intended for guidance and are not exhaustive of all the possible factual scenarios or circumstances to which the provisions may apply. No illustration or example shall constrain or limit the full effect, application, interpretation or operation of any provision in this Code in any way.

1.2.3 A reference in this Code to a “section” shall, unless otherwise stated, be construed as a reference to the corresponding section in this Code and shall include all sub-sections within that section.

### **1.3 Purpose of this Code**

1.3.1 This Code aims to protect the interest of the public in general and the interest of consumers of premium rate services in particular by –

- (a) specifying the duties to be observed by premium rate service providers in their promotion and provision of premium rate services; and
- (b) specifying the duties to be observed by billing network operators in their billing and collection of payment from consumers of premium rate services.

1.3.2 Licensees are expected to comply with both the spirit and the letter of this Code having regard to the purposes stated above.

1.3.3 Save where expressly specified, this Code does not regulate or deal with the nature or substance of the content of any premium rate services or any advertisements for premium rate services. Premium rate service providers are to ensure that the content of their services and advertisements comply with all applicable laws and regulatory requirements prevailing in Singapore.

## **1.4 Exemptions**

IDA may exempt any premium rate service provider or billing network operator from all or any of the provisions of this Code in accordance with section 26(5) of the Act. A premium rate service provider or billing network operator who wishes to be exempted from any provision of this Code shall submit a written request to IDA containing the reasons supporting his request. An exemption shall be subject to such terms and conditions as IDA may specify and may, without limitation, be on a one-time basis, temporary, permanent, for a fixed period or effective until the occurrence of a specific event.

## **1.5 Variation, revocation, etc.**

IDA may at any time review, add to, vary or revoke this Code in accordance with section 26(4) of the Act.

## **1.6 Legal effect of this Code**

- 1.6.1 Every premium rate service provider and billing network operator is required to comply with this Code in accordance with section 26(7) of the Act. The obligations contained in this Code are in addition to those contained in the Act, other statutes, regulations, directions, licences or codes of practice.
- 1.6.2 If any provision of this Code is held to be unlawful, all other provisions will remain in full force and effect.
- 1.6.3 Where there is any conflict or inconsistency between the requirements of this Code and the information submitted by a premium rate service provider in its registration of the service with IDA, the premium rate service provider shall operate and provide the service in accordance with the requirements of this Code which shall supersede those parts of the information submitted in its registration which are conflicting or inconsistent. For the avoidance of doubt, where there is no conflict or inconsistency with this Code, a premium rate service provider shall remain bound to operate and provide its services in accordance with the information submitted in its registration and shall notify IDA whenever there is any change or inaccuracy in such information.

## **2. DUTIES OF PREMIUM RATE SERVICE PROVIDERS**

### **2.1 Duty to disclose prices, terms and conditions**

2.1.1 Prior to providing a premium rate service to any person, a premium rate service provider must disclose to that person the prices, terms and conditions on which the service is provided to him.

2.1.2 When disclosing the prices, terms and conditions required under section 2.1.1, the premium rate service provider must include the information and comply with the requirements specified in section 2.2.

### **2.2 Duty relating to advertisements**

2.2.1 A premium rate service provider shall, in disclosing the prices, terms and conditions required under section 2.1, and in relation to all advertisements relating to its premium rate service, comply with the following requirements –

- (a) no disclosure or advertisement shall be presented in a manner that is reasonably likely to confuse or mislead in any way, whether by inaccuracy, ambiguity, exaggeration, omission or otherwise;
- (b) every disclosure and advertisement must state –
  - (i) the description of the premium rate service offered;
  - (ii) the name of the premium rate service provider as registered with the Accounting and Corporate Regulatory Authority; and
  - (iii) the local customer service hotline for the premium rate service;
- (c) every disclosure and advertisement must fully and completely state all prices, terms and conditions of the premium rate service that have a bearing on the charges payable by end users in a manner that is clear, straightforward and easy to understand; and
- (d) where a disclosure or advertisement relates to or promotes –
  - (i) a subscription-based premium rate service in which the subscription is automatically renewed at the end of every subscription period unless the end user takes action to unsubscribe from the service; or
  - (ii) any other type of subscription-based premium rate service in which the end user is provided content or facilities on an ongoing basis until such time that the end user takes action to unsubscribe from the service,

the disclosure or advertisement must –

- (A) state that the service is subscription-based and the period of the subscription;
- (B) contain a clear notice that the onus is on end users of the service to unsubscribe from the service if they wish to discontinue their use of the service; and
- (C) set out clear instructions on how end users can unsubscribe from the service (including the unsubscription keyword command if applicable).

2.2.2 For the avoidance of doubt, where a licensee, such as an aggregator, facilitates the provision of a premium rate service that is controlled, managed or operated by any party who is not a licensee, the name of the licensee as registered with the Accounting and Corporate Regulatory Authority shall be disclosed in all advertisements relating to the premium rate service.

2.2.3 The following are non-exhaustive examples and illustrations of practices which constitute contraventions of section 2.2.1 –

*Example A: The advertisement for a premium rate service only sets out a description of the service and the short code for consumers to call to purchase the service. The advertisement does not contain the applicable prices and key terms of the service but instead refers consumers to other sources for this information.*

*Illustration: A premium rate service provider advertises for its service by sending marketing messages to mobile phone subscribers. The advertisement omits to state the applicable prices and key terms affecting charges but instead refers consumers to the premium rate service provider's website for all terms and conditions. Such advertising is unacceptable as consumers should, at the minimum, be informed upfront of the prices and key terms of the service and should not be expected to search elsewhere for such basic information. In this regard, key terms are all terms which have a material bearing on the charges payable by an end user and which enable an end user to understand the maximum charges that he can incur for use of the service.*

*Example B: The prices, terms and conditions of the premium rate service are scattered all over the place in the advertisement or positioned in such a way as to increase the likelihood of the consumer overlooking important terms or being confused as to the applicable prices and terms.*

*Illustration: A premium rate service provider of a ringtone download premium rate service charges a membership fee of \$10.00 for subscription to the service and \$0.50 for each ringtone downloaded during the subscription period. In the advertisement for the service, the \$0.50 per-download charge is featured very prominently next to the short code for*



*the service but the \$10.00 membership fee is only stated at the bottom of the advertisement in small print. Such advertising is unacceptable as consumers may overlook the membership fee and be misled into thinking that the use of the service only attracts a one-time charge of \$0.50 per download.*

*Example C: The advertisement uses vague or imprecise language to describe the prices, terms and conditions of the premium rate service or omits to state all relevant information having a bearing on the charges payable such that the consumer is not informed of his contractual liabilities or is not able to readily understand the actual price payable.*

*Illustration: A premium rate service provider of a SMS chat premium rate service sends 10 chargeable SMS chat messages at \$0.80 each automatically to every new end user of the service. In addition, it thereafter sends up to 20 chargeable chat messages for every single SMS chat message sent by the end user. The advertisement for the service states “to chat, send [purchase keyword command] to [short code], \$0.80 per SMS sent/received”. Such advertising is unacceptable as it fails to inform the consumer of the actual price payable for his use of the service. The consumer may be misled into thinking that the service only involves a one-for-one SMS chat exchange without realizing that he will effectively be charged \$8.00 (10 chat messages) upon his subscription to the service and thereafter potentially charged for up to \$16.00 (20 chat messages) for every single chat message which he sends.*

*Example D: The advertisement does not set out the prices, terms and conditions in simple and straightforward manner but presents the information in an indirect or convoluted manner which requires the audience to have to closely examine the advertisement to infer the applicable prices and terms.*

*Illustration: A premium rate service provider of a music download premium rate service conducts a promotion for the service where it offers new subscribers 20 song downloads at the charge of \$20.00 for the first 2-week subscription period, after which the regular charge of \$20.00 for 10 song downloads will apply upon automatic renewal of the subscription. The advertisement for the promotion states “Membership is only \$10.00/ week compulsory for 2 weeks and thereafter automatically renewed. 20 download credits to redeem any 20 songs. New Member gets extra 10 credits (total 20 credits)”. Such advertising is unacceptable as it fails to state the information relating to the service in a manner that is easy to understand. By stating that “Membership is only \$10.00/ week compulsory for 2 weeks” instead of simply stating that membership is \$20.00 for 2 weeks, consumers may be misled into thinking that the subscription period is weekly instead of bi-weekly. The advertisement is also unacceptable as it requires consumers to have to infer or deduce from the statement “New members get extra 10 credits” that members whose subscriptions are renewed will only be entitled to 10 song downloads as opposed to 20.*

*Consumers should not be required to have to closely scrutinize an advertisement to understand the applicable prices and terms of the premium rate service.*

*Example E: The advertisement invites the audience to subscribe for a premium rate service for a free trial period or at promotional rates but omits to state the full extent of the obligations attached to such trials or promotions.*

*Illustration: A premium rate service provider offers a soccer information premium rate service in which the person who subscribes for the service is given a free 1 week trial period after which he must actively unsubscribe from the service failing which he will be automatically subscribed to the service for further weekly subscription periods and charged \$5.00 for every soccer information message sent to him daily. The advertisement for the service states “Free daily soccer info for 1 week. Send [purchase keyword command] to [short code]. Usual charges apply after free trial.” Such advertisement is unacceptable as it fails to inform the consumer of the fact that he will be automatically subscribed to the service after the free trial period unless he takes the step to actively unsubscribe from it; it fails to disclose to the consumer the instructions as to how he can unsubscribe from the service; and it fails to disclose to the consumer the charges that will apply to the service once the free trial period is over.*

### **2.3 Duty relating to unsolicited free services**

- 2.3.1 No premium rate service provider shall engage in the practice of providing any unsolicited free service to any person which requires such person to take action to unsubscribe from the service, failing which he is automatically subscribed and charged for a premium rate service.
- 2.3.2 For the avoidance of doubt, a person shall be treated as having been provided with an unsolicited free service so long as he did not specifically take action to request for that service prior to it being provided to him.

### **2.4 Duty relating to services which can be purchased or subscribed via electronic messaging**

- 2.4.1 A premium rate service provider who enables its premium rate service to be purchased or subscribed for via electronic messaging must –
  - (a) designate a specific purchase keyword command for that service; and
  - (b) not accept any purchase or subscription for that service by any person unless it receives a message from that person containing the designated purchase keyword command.

An example of a purchase keyword command is “**start [name of service]**”.

#### 2.4.2 A purchase keyword command must –

- (a) not comprise of any commonly used phrases which may increase the risk of a person accidentally subscribing to the service such as “hi”, “hello”, “yes”, “no” or “ok”;
- (b) not be misleading in any way; and
- (c) not contain any words which convey the impression that the command is intended for unsubscription from services such as “stop”, “quit”, “cease” or “cancel”.

*Example:* A premium rate service provider provides a chargeable SMS ringtone download service. The premium rate service provider designates “**free tones**” as the purchase keyword command. Such a purchase keyword command is misleading as it may convey the impression that the service is free of charge.

#### 2.4.3 Where a premium rate service provider provides more than one premium rate service, it must designate a different purchase keyword command for each premium rate service over the same short code.

### **2.5 Duty to authenticate end user for services delivered to mobile phones which may be purchased or subscribed via Internet registration**

#### 2.5.1 A premium rate service provider who enables its premium rate service to be purchased or subscribed for via the Internet to be delivered to mobile phones must –

- (a) designate a specific purchase keyword command for that service which shall comply with the requirements set out in section 2.4;
- (b) send to every person who seeks to purchase or subscribe for the service via Internet registration a purchase keyword command for that service either via the Internet or via SMS; and
- (c) ensure that it receives a SMS message containing the purchase keyword command from the same mobile phone number that was provided or used in the Internet registration before delivering the service to that mobile phone.

### **2.6 Duty to provide confirmation and reminder messages for subscription-based services**

#### 2.6.1 A premium rate service provider who provides –

- (a) a subscription-based premium rate service in which the subscription is automatically renewed at the end of every subscription period unless the end user takes action to unsubscribe from the service; or

- (b) any other type of subscription-based premium rate service in which the end user is provided content or facilities on an ongoing basis until such time that the end user takes action to unsubscribe from the service,

shall upon receipt of an end user's request to subscribe for such premium rate service, send a confirmation message to the end user via the same medium by which the end user subscribed for the service or by SMS. The confirmation message shall contain the following information –

- (i) acknowledgement of the end user's subscription for the service;
- (ii) the charges payable for the service; and
- (iii) clear instructions on how he can unsubscribe from the service (including the unsubscription keyword command if applicable).

2.6.2 Subject to sections 2.6.4 and 2.6.5 below, for every new subscription, –

- (a) a premium rate service provider who provides a premium rate service referred to in section 2.6.1(a) shall:

- (i) send a reminder message to the end user via the same medium by which the end user subscribed for the service or by SMS by no later than 24 hours before the end of each subscription period; and
- (ii) where the length of the subscription period is more than a week,–
  - (A) send a reminder message to the end user via the same medium by which the end user subscribed for the service or by SMS at least once a week during the first month of the subscription period commencing from the date of his subscription to the service; and
  - (B) send a reminder message to the end user via the same medium by which the end user subscribed for the service or by SMS at least once a month after the first month of the subscription period commencing from the date of his subscription to the service; and

- (b) a premium rate service provider who provides a premium rate service referred to in section 2.6.1(b) shall:

- (i) send a reminder message to the end user via the same medium by which the end user subscribed for the service or by SMS at least once a week during the first month commencing from the date of his subscription to the service; and
- (ii) send a reminder message to the end user via the same medium by which the end user subscribed for the service or by SMS at least

once a month after the first month commencing from the date of his subscription to the service until such time that the end user takes action to unsubscribe from the service.

*Example A: A person subscribes via SMS to a subscription-based SMS chat service. The subscription period is for one week and is automatically renewed unless the person takes action to unsubscribe from the SMS chat service. Upon receipt of the end user's request to subscribe to the SMS chat service, the premium rate service provider must send a confirmation message to the end user via SMS. In addition, the premium rate service provider must send at least one reminder message to the end user via SMS by no later than 24 hours before the end of that one week.*

*Example B: A person subscribes via SMS to a subscription-based SMS game service. The subscription period is for three weeks and is automatically renewed unless the person takes action to unsubscribe from the SMS game service. Upon receipt of the end user's request to subscribe to the SMS game service, the premium rate service provider must send a confirmation message to the end user via SMS. In addition, the premium rate service provider must send at least one reminder message each week to the end user via SMS over the first 2 weeks, and thereafter send at least one more reminder message during the third week but no later than 24 hours before the end of that week.*

*Example C: A person subscribes via SMS to a subscription-based SMS game service. The subscription period is for two months and is automatically renewed unless the person takes action to unsubscribe from the SMS game service. Upon receipt of the end user's request to subscribe to the SMS game service, the premium rate service provider must send a confirmation message to the end user via SMS. In addition, the premium rate service provider must send at least one reminder message each week to the end user via SMS over the first 4 weeks, and thereafter send at least one more reminder message during the second month but no later than 24 hours before the end of that month.*

*Example D: A person subscribes via SMS to a subscription-based SMS game service. The person is provided game trivia on an ongoing chargeable basis until the person takes action to unsubscribe from the SMS game service. Upon receipt of the end user's request to subscribe to the SMS game service, the premium rate service provider must send a confirmation message to the end user via SMS. The premium rate service provider must also send reminder messages to the end user via SMS at least once a week during the first month and once a month thereafter.*

2.6.3 The reminder message shall contain the following information –

- (a) reminder to the end user of his subscription for the service;
- (b) the charges payable for the service; and

- (c) clear instructions on how he can unsubscribe from the service (including the unsubscription keyword command if applicable).

2.6.4 A premium rate service provider who provides a premium rate service referred to in section 2.6.1(a) in which the end user is charged only a one-time upfront charge for all services provided during the subscription period need not send the weekly reminder message referred to in section 2.6.2. However, the premium rate service provider shall send a reminder message to the end user by no later than 24 hours before the expiry of the subscription period.

*Example: A premium rate service provider provides a monthly subscription-based SMS joke service where the end user is charged an upfront lump sum charge of \$50 upon subscription to the service for all SMS jokes sent to him during the 1-month subscription period. Where an end user subscribes for the service, the premium rate service provider must send him a confirmation message but need not send weekly reminder messages. However, the premium rate service provider must send a reminder message to the end user closer to the end of the subscription period (e.g. in the fourth week) but by no later than 24 hours before the expiry of the subscription period.*

2.6.5 A premium rate service provider who is required to send the reminder messages specified in section 2.6.2 above may provide its end user with the option to expressly notify the premium rate service provider that he does not wish to receive such reminder messages. Upon receipt of such express notification from an end user, the premium rate service provider shall not be required to send the reminder messages to him.

2.6.6 For the avoidance of doubt, premium rate service providers shall not impose any charges for any confirmation or reminder messages sent to end users.

## **2.7 Duty to enable end users to unsubscribe from subscription-based services**

2.7.1 A premium rate service provider who provides a subscription-based premium rate service in which –

- (a) the subscription is automatically renewed at the end of the subscription period unless the end user takes action to unsubscribe from the service; and
- (b) the end user is charged a one-time upfront charge for all content or facilities provided under that service during the subscription period,

must enable the end user to issue his instruction to unsubscribe from the service at any time during the subscription period and shall, at the minimum, upon receiving such instruction, ensure that it does not renew the end user's subscription for the service once the current subscription expires.

***Example:** A premium rate service provider provides a monthly subscription-based SMS joke service where the end user is charged an upfront lump sum charge of \$50 for all SMS jokes sent to him during the 1-month subscription period for which no further charges are imposed. The subscription for the service is automatically renewed if the end user does not take action to unsubscribe from the service. After receiving the service for two weeks, an end user decides that he does not want to renew the subscription after it expires and issues his instruction to unsubscribe from the service. The premium rate service provider shall, at the minimum, ensure that it does not renew the end user's subscription for the service when the current subscription expires.*

2.7.2 A premium rate service provider who provides a subscription-based premium rate service in which –

- (a) the subscription is automatically renewed at the end of the subscription period unless the end user takes action to unsubscribe from the service; and
- (b) (i) the end user is charged a one-time upfront charge (e.g. subscription or membership fee) and also charged for content or facilities provided under that service during the subscription period; or
- (ii) there is no one-time upfront charge (e.g. subscription or membership fee), but the end user is charged for content or facilities provided under that service during the subscription period,

must enable the end user to issue his instruction to unsubscribe from the service at any time during the subscription period and shall, upon receiving such instruction, immediately cease to provide any further chargeable content or facilities to the end user and ensure that it does not renew the end user's subscription for the service upon expiry of the current subscription.

***Example:** A premium rate service provider provides a monthly subscription-based SMS soccer results service where the end user is charged an upfront membership fee of \$20 upon subscription to the service and also charged \$2 for each SMS soccer result update sent to him during the 1 month subscription period. The subscription for the service is automatically renewed if the end user does not take action to unsubscribe from the service. After receiving the service for two weeks, an end user decides that he wants to discontinue the service and issues his instruction to unsubscribe from the service. The premium rate service provider must immediately cease to provide any further chargeable SMS updates to the end user and also ensure that it does not renew the end user's subscription for the service once the current subscription expires.*

2.7.3 A premium rate service provider who provides a subscription-based premium rate service in which the end user is provided content or facilities on an ongoing

basis until such time that the end user takes action to unsubscribe from the service must enable the end user to issue his instruction to unsubscribe from the service at any time. Upon receiving such instruction, the premium rate service provider shall immediately cease to provide any further chargeable content or facilities under that service to the end user.

*Example: A premium rate service provider provides a subscription-based SMS chat service where the end user is charged for each SMS chat message sent by him and to him. The service continues indefinitely until such time that the end user takes action to unsubscribe from the service. After receiving the service for two weeks, an end user decides that he wants to discontinue the service and issues his instruction to unsubscribe from the service. The premium rate service provider must immediately cease to provide the SMS chat service to the end user.*

#### 2.7.4 A premium rate service provider who provides –

- (a) a subscription-based premium rate service in which the subscription is automatically renewed at the end of every subscription period unless the end user takes action to unsubscribe from the service; or
- (b) any other type of subscription-based premium rate service in which the end user is provided content or facilities on an ongoing basis until such time that the end user takes action to unsubscribe from the service,

must, where it enables end users to subscribe for such service via electronic messaging, designate a specific unsubscription keyword command together with instructions on how to unsubscribe, so as to enable end users to unsubscribe from the service via the same medium. An example of an unsubscription keyword command is “**stop [name of service]**”. Nothing herein shall preclude such premium rate service provider from enabling end users to unsubscribe from its service via other modes (e.g. local customer service hotline, e-mail or fax) in addition to electronic messaging.

#### 2.7.5 Where a premium rate service provider provides two or more premium rate services which require unsubscription keyword commands, it must designate a different unsubscription keyword command for each service.

#### 2.7.6 An unsubscription keyword command must –

- (a) not be misleading;
- (b) be executable in a single message;
- (c) not be complicated to execute;
- (d) not be case sensitive; and



- (e) not have more than one space character separating the words comprised in the command.

2.7.7 The instructions on how to unsubscribe from the premium rate service must –

- (a) be clear and in plain English; and
- (b) not be misleading.

***Example:** A premium rate service provider provides a subscription-based SMS polyphonic ringtone download service where the end user is charged for each polyphonic ringtone sent to him. The instructions provided by the premium rate service provider on how to unsubscribe are “Cxl txt STOP PL” or “2Q txt STOP PL”. Such instructions are not acceptable as they are unclear. However, it would be acceptable for the instruction to read “To quit: SMS STOP PL”.*

2.7.8 A premium rate service provider shall, upon receiving a message from an end user containing an unsubscription keyword command for its premium rate service, send a confirmation message to the end user via the same medium by which the end user unsubscribed from the service or by SMS to acknowledge his instruction to unsubscribe from the service.

## **2.8 Duty to charge only for content**

2.8.1 Subject to section 2.8.2, a premium rate service provider shall not charge any person for any message or other communication, whether originating from the premium rate service provider to the person or vice versa, that does not contain actual content or relate to that person’s use of the premium rate service, including but not limited to –

- (a) advertisements;
- (b) information on how to purchase or subscribe for a premium rate service;
- (c) information on how to unsubscribe from a premium rate service;
- (d) information on prices and charges;
- (e) confirmation of requests to purchase or subscribe for a premium rate service;
- (f) reminders for renewal of subscriptions;
- (g) confirmation of instructions to unsubscribe from a premium rate service;
- (h) requests to purchase or subscribe for a premium rate service; and
- (i) instructions to unsubscribe from a premium rate service.

2.8.2 Where a premium rate service provider provides a subscription-based premium rate service for which an upfront membership or subscription fee is payable, the premium rate service provider may charge for such fee –

- (a) when it sends the confirmation message to end users upon their subscription to the service; and
- (b) in the case of a recurring fee, when it sends the confirmation message to end users upon the renewal of each subscription period.

2.8.3 For the avoidance of doubt, nothing in this section shall prevent a network operator from imposing standard public telecommunications network charges for messages and other communication sent by any person to the premium rate service provider.

## **2.9 Duty to indicate charges in all chargeable messages**

2.9.1 A premium rate service provider must ensure that every chargeable message which it sends to any person via electronic messaging contains a short and distinct pricing message to indicate the charge for that message.

2.9.2 The following are non-exhaustive examples of messages which must contain the indication of charges by the premium rate service provider –

*Example A: A person subscribes to a subscription-based soccer information service for which a membership fee of \$5.00 is payable in addition to the charge of \$0.30 for each soccer information message sent to him during the period of subscription. If the premium rate service provider chooses to charge the \$5.00 membership fee when it sends the confirmation message to that person upon his subscription to the service, it must indicate the fee in the confirmation message and also indicate the \$0.30 charge in each soccer information message subsequently sent to him. If the premium rate service provider chooses to charge the \$5.00 membership fee only when it sends the first soccer information message to that person, it must indicate both the fee and the \$0.30 charge in that first message.*

*Example B: A person subscribes to an SMS chat service where the premium rate service provider charges him \$0.60 for every chat message sent to him by the premium rate service provider and other participants of the SMS chat service. The premium rate service provider must indicate the charge of \$0.60 in every chat message sent to that person from the premium rate service provider and other participants of the SMS chat service.*

2.9.3 For the avoidance of doubt, a premium rate service provider need not indicate the charges in the following transmissions –

- (a) where the chargeable transmission sent by the premium rate service provider to the end user consists purely of logo downloads, ringtone downloads and content of a similar nature which does not allow for the incorporation of text; or
- (b) where the premium rate service provider sends the end user a URL link or such other link which connects the end user to another interface from which he can select his desired content to download and such interface clearly sets out the applicable charges for each option available for selection by the end user.

## **2.10 Duty relating to chat services**

2.10.1 Where a premium rate service provider operates a chat service that enables an end user to receive multiple chargeable chat messages in response to a single chat message sent by him, the premium rate service provider shall, upon receiving an end user's instruction to subscribe for the service, send him a confirmation message –

- (a) stating the default maximum number of chargeable chat messages that the end user will receive in response to every chat message sent by him; and
- (b) incorporating an automatic log-off function to enable the end user to pre-set the maximum number of chargeable chat messages that he wishes to receive in response to every chat message sent by him.

2.10.2 The premium rate service provider shall ensure that the chargeable chat messages sent in response to every chat message sent by the end user do not exceed the maximum default number stated in the confirmation message or the maximum number pre-set by the end user, as the case may be.

## **2.11 Duty to provide clear, accurate and timely billing**

2.11.1 A premium rate service provider may issue bills to end users either directly or by through billing network operators. In all cases, the premium rate service provider shall be responsible for ensuring that the bills for its premium rate services are clear, accurate and timely.

2.11.2 Where the agreement between the premium rate service provider and the end user does not specify how often the bill will be sent, the premium rate service provider shall ensure that the bill for its services is sent monthly.

2.11.3 A premium rate service provider shall ensure that every bill for its premium rate services, whether issued by the premium rate service provider or by its billing network operator, contains the following minimum information –

- (a) the name of the premium rate service provider as registered with the Accounting and Corporate Regulatory Authority of Singapore;

- (b) the name of the premium rate service for which the person is being charged;
- (c) the charges incurred by the person for the service; and
- (d) the local customer service hotline for the premium rate service.

## **2.12 Duty not to charge for unsolicited services**

2.12.1 A premium rate service provider shall not charge any person for any service that the person did not purchase or subscribe for.

2.12.2 For the avoidance of doubt, a person shall be regarded as having been charged for a service where he is presented with a bill for the service, regardless of whether or not payment is actually collected from him.

2.12.3 The following are non-exhaustive examples of charging for unsolicited services –

*Example A: A person subscribes for premium rate service X only. However, the premium rate service provider provides and charges him for premium rate service Y instead of premium rate service X.*

*Example B: A person subscribes for premium rate service X only. However, the premium rate service provider provides and charges him for premium rate services Y and Z in addition to premium rate service X.*

*Example C: A premium rate service provider provides premium rate service X using a designated short code. A person sends an SMS message to the short code which does not contain the correct purchase keyword command for premium rate service X. However, the premium rate service provider treats such message as an instruction to purchase or subscribe for premium rate service X and provides and charges the person for it.*

*Example D: A premium rate service provider provides premium rate service X using a designated short code. A person sends an SMS message to the short code which does not contain the correct purchase keyword command for premium rate service X. However, the premium rate service provider sends the person a welcome message for the premium rate service X and requests the person to unsubscribe from the service if he does not intend to use the service. The person does not take action to unsubscribe from the service and the premium rate service provider proceeds to provide and charge him for the service.*

*Example E: A premium rate service provider provides premium rate service X and premium rate service Y using the same short code. An end user of premium rate service X attempts to unsubscribe from the service by sending an SMS message to the short code. However, the premium rate service provider treats such SMS message as an instruction to purchase or subscribe for premium rate*

*service Y and proceeds to provide and charge him for the service despite the message not containing the correct purchase keyword command for premium rate service Y.*

*Example F: A premium rate service provider pushes free content to a person who does not request for it. Thereafter, the premium rate service provider sends the person a message requiring him to unsubscribe from the service failing which he will be automatically subscribed and charged for the service. The person does not act to unsubscribe from the service and the premium rate service provider proceeds to provide and charge him for the premium rate service.*

## **2.13 Duty relating to disputes over charges**

2.13.1 A premium rate service provider shall not collect payment, and shall ensure that the relevant billing network operator does not collect payment, from any person who is charged for a premium rate service (referred to in this section as the “person charged”) where that person notifies the premium rate service provider that he reasonably believes the charge to be incorrect and where there appears to be reasonable grounds for disputing the charge.

2.13.2 In all cases where a reasonably disputed charge is notified to a premium rate service provider by the person charged, whether directly or through its billing network operator, the premium rate service provider must take all necessary action to carry out a full and complete investigation at its own expense on the disputed charge, including but not limited to –

- (a) checking that the charge is correct based on the premium rate service provider’s records; and
- (b) verifying the accuracy of its records against the records of the network operator through which the premium rate service was provided.

2.13.3 The premium rate service provider may only collect payment from the person charged after it has duly completed the investigations referred to in section 2.13.2 above and confirms that the charge is correct.

2.13.4 A premium rate service provider shall seek to resolve a disputed charge within 30 days of receiving notice that the charge is being disputed. If more time is reasonably required to complete the investigation, the premium rate service provider must inform the person charged of the additional amount of time that will be required for resolution of the matter and in any case, resolve the matter with all reasonable speed. For the avoidance of doubt, nothing herein shall preclude a premium rate service provider from agreeing to resolve disputed charges within a shorter period of time in its contracts with its billing network operator.

2.13.5 A premium rate service provider shall –

- (a) in relation to a person who pays a charge but who subsequently chooses to dispute the charge, afford such person the period of 1 year starting from the date of the bill to dispute the charge; and
- (b) in relation to a person who purchases a pre-paid premium rate service but who subsequently chooses to dispute any charge deducted from the pre-paid value, afford such person the period of 1 year starting from the date of the bill to dispute the charge.

## **2.14 Duty to maintain customer service hotline and record of complaints**

2.14.1 A premium rate service provider shall maintain a local customer service hotline for its premium rate service and shall respond to all enquires, complaints and disputes lodged by any person to the local customer service hotline as promptly as possible.

2.14.2 A premium rate service provider shall ensure that the local customer service hotline operates during normal local business hours at the minimum.

2.14.3 A premium rate service provider may, in addition to the local customer service hotline, provide other means for end users to reach them, such as via e-mail or fax.

2.14.5 A premium rate service provider shall provide the network operator with its local customer service hotline, e-mail and/or fax for its premium rate service, so as to enable the network operator to direct end users to these modes of contact.

2.14.6 A premium rate service provider must keep an accurate, full and complete record of all complaints and disputes raised by any person in relation to its premium rate service (referred to in this section as the “record of complaints”) containing the following information –

- (a) particulars of the person raising the complaint or dispute;
- (b) the date and description of the complaint or dispute; and
- (c) description of the action taken by the premium rate service provider to address the complaint or dispute.

2.14.7 IDA reserves the right to inspect and to make copies of the record of complaints at any time and the premium rate service provider shall produce the records to IDA without delay upon request.

## **2.15 Duty relating to use of end user service information (“EUSI”)**

2.15.1 EUSI consists of all information that a premium rate service provider obtains as a result of an end user’s use of a premium rate service provided by the premium rate service provider and includes, but is not limited to, information regarding –

- (a) the end user's usage patterns (including number of calls, times of calls, duration of calls and parties called);
- (b) the services used by the end user;
- (c) the end user's telephone number and network configuration;
- (d) the end user's location information; and
- (e) the end user's billing name, address and credit history.

2.15.2 Unless an end user has expressly provided his prior consent, a premium rate service provider shall ensure that it does not use his EUSI for any purpose other than –

- (a) planning, provisioning and billing for the premium rate service requested by the end user and provided by the premium rate service provider;
- (b) managing bad debt and preventing fraud related to the provision of premium rate services;
- (c) facilitating interconnection and inter-operability between premium rate service providers for the provision of premium rate services;
- (d) providing assistance to or complying with the requirements of any law enforcement, judicial or other government agencies; and
- (e) complying with any regulatory requirement imposed by IDA authorising the use of EUSI.

2.15.3 Unless an end user has expressly provided his prior consent, a premium rate service provider shall not disclose his EUSI to any third party (including its affiliates) for any purpose whatsoever, unless it falls within any of the purposes stated in sections 2.15.2(a) to (e) above.

2.15.4 Nothing in this Code prohibits a premium rate service provider from allowing other entities to include promotional or other material in any mass mailing that the premium rate service provider makes to all or a selected portion of its end users, provided that the premium rate service provider does not disclose the EUSI of any end user that has not provided consent.

### **3. DUTIES OF BILLING NETWORK OPERATORS**

#### **3.1 Duty to comply with provisions applicable to premium rate service providers when providing premium rate services**

Where a billing network operator itself provides a premium rate service, it shall be treated as a premium rate service provider in respect of such service and shall be required to comply with requirements in section 2 of this Code.

#### **3.2 Duty not to bill for premium rate services provided by non-licensed parties**

No billing network operator shall bill any person for any premium rate service provided by a party that is not licensed by IDA to provide such premium rate service.

#### **3.3 Duty to assist in disputes over charges**

3.3.1 Where a billing network operator issues a bill to a person for payment for a premium rate service (referred to in this section as the “person charged”), it shall ensure that the bill contains the following minimum information –

- (a) the name of the premium rate service provider as registered with the Accounting and Corporate Regulatory Authority;
- (b) the name of the premium rate service for which the person is being charged;
- (c) the charges incurred by the person for the service; and
- (d) the local customer service hotline for the premium rate service.

3.3.2 Notwithstanding section 3.3.1 above, in the event that a person charged contacts the billing network operator to dispute the charge, the billing network operator shall provide reasonable assistance to assist such person to resolve the dispute with the premium rate service provider.

3.3.3 A billing network operator shall not collect payment for any charge which the person charged reasonably believes to be incorrect pending the resolution of the disputed charge.



## **4. ENFORCEMENT MEASURES**

### **4.1 Complaint investigation**

- 4.1.1 IDA will consider and, where appropriate, commence investigation against a premium rate service provider or a billing network operator (hereinafter referred to as the “relevant licensee”) where IDA receives a complaint from any person alleging contravention of this Code by the relevant licensee, provided that the complaint is made within a reasonable time from occurrence of the event giving rise to the complaint.
- 4.1.2 IDA may, on its own motion, commence investigation against a relevant licensee where there appears to be a contravention of this Code by such licensee.
- 4.1.3 In all cases, IDA has the sole discretion to determine whether it will conduct any investigation under this Code.

### **4.2 Power to require information**

- 4.2.1 IDA may at any time require a relevant licensee to provide IDA with any information or documents which IDA requires for the purpose of investigating a contravention of this Code.
- 4.2.2 IDA shall have full and free access at all reasonable times in the day to a relevant licensee’s building, office, equipment, systems, books, documents and other papers for the purpose of investigating a contravention of this Code and may, without payment, inspect, copy or make extracts from any such equipment, systems, books, documents or papers.
- 4.2.3 For the avoidance of doubt, the fact that the information required by IDA is subject to an existing confidentiality agreement between the relevant licensee and any other party shall not excuse the licensee from providing the information to IDA.
- 4.2.4 Any failure by a relevant licensee to comply with IDA’s requests for information, or any destruction, disposal, falsification or concealment of requested documents, constitutes a contravention of this Code for which IDA can take separate enforcement proceedings against the licensee.

### **4.3 Information to be complete, truthful and accurate**

- 4.3.1 The relevant licensee must ensure that all information provided to IDA, whether in its written response, related representations or any other submissions, are complete, truthful and accurate.
- 4.3.2 In the event that IDA discovers any information provided by a relevant licensee to be incomplete, false or inaccurate in any material particular, IDA may –

- (a) take this into account when deciding on the appropriate enforcement measure to take against the licensee under the original enforcement proceedings; and
- (b) commence separate enforcement proceedings against the relevant licensee for contravention of this provision of the Code.

#### **4.4 Interim directions to cease and desist or to comply with specified conduct**

At any time during an enforcement proceeding, IDA may issue an interim direction to the relevant licensee to cease and desist from any specified conduct or to comply with any specified conduct. In determining whether to issue such an interim direction, IDA will consider whether –

- (a) there is prima facie evidence that the licensee has contravened the provision of this Code;
- (b) continuation of the licensee’s conduct is likely to cause harm to end users or the general public;
- (c) the potential harm from allowing the licensee to continue its conduct outweighs the burden on the licensee of ceasing or complying with the specified conduct; or
- (d) issuance of the interim direction is in the public interest.

#### **4.5 Enforcement measures**

4.5.1 In the event that IDA concludes that a relevant licensee has contravened any provision of this Code, IDA may take such enforcement measures as it considers appropriate, including but not limited to –

- (a) issuing a warning to the relevant licensee containing a statement of IDA’s basis for concluding that the licensee has acted in contravention of any provision of this Code, but will impose no further sanction;
- (b) requiring the licensee to cease engaging in contravening conduct or to take specific remedial actions to comply with any provision of this Code; and
- (c) the imposition of a financial penalty on a relevant licensee for contravention of a provision of this Code.

#### **4.6 Financial penalties**

4.6.1 IDA may impose a financial penalty of up to \$1 million per contravention on a relevant licensee that contravenes any provision of this Code under section 8 of the Act. In determining the quantum of the financial penalty, IDA will consider each case on its own merits and may have regard to any aggravating and

mitigating factors including but not limited to those set out in sections 4.6.2 and 4.6.3 below.

#### 4.6.2 Aggravating factors may include –

- (a) whether the contravention was serious;
- (b) whether the contravention continued for an extended period;
- (c) whether the licensee persisted with the contravention despite receiving complaints from consumers;
- (d) whether the licensee acted wilfully, recklessly or in a grossly negligent manner;
- (e) whether the licensee has a previous history of contraventions;
- (f) whether the licensee made any effort to conceal the contravention; and
- (g) whether the licensee supplied any incomplete, inaccurate or false information as part of its defence.

#### 4.6.3 Mitigating factors may include:

- (a) whether the contravention was minor;
- (b) whether the licensee took prompt action to correct the contravention;
- (c) whether the contravention was accidental;
- (d) whether the licensee voluntarily disclosed the contravention to IDA; and
- (e) whether the licensee co-operated with IDA in its investigation.

### **4.7 Suspension or cancellation of licence**

In serious cases where IDA is satisfied that a licensee has contravened, and is likely to again contravene, any provision of this Code or that the public interest so requires, IDA may cancel or suspend the relevant licence under Section 8 of the Act.

### **4.8 Reconsideration requests and appeals**

#### 4.8.1 A relevant licensee that is aggrieved by IDA's decision under this Code may either –

- (a) request IDA to reconsider its decision; or
- (b) appeal to the Minister,

in accordance with section 69 of the Act.

- 4.8.2 A relevant licensee may not present new facts or representations for the first time in a reconsideration request if the licensee could have presented such fact or representation before IDA rendered its decision and cannot demonstrate that it had good cause for failing to do so.
- 4.8.3 IDA generally will seek to issue its decision on the reconsideration request within 30 days from receipt of the request.
- 4.8.4 A relevant licensee may not ask IDA to reconsider its decision on a reconsideration request. However, if the relevant licensee remains aggrieved by IDA's decision, it may appeal to the Minister in accordance with section 69 of the Act.

#### **4.9 Decision to be complied with pending review**

Unless IDA stipulates otherwise, where a reconsideration request or an appeal is made under section 69 of the Act, the decision, direction or any other matter which requires reconsideration by IDA or which is appealed against shall be strictly complied with until the determination of the reconsideration request or the appeal, as the case may be.