

Here are my views on Maximum Contract Term and Early Termination charges for Telecommunication services offered to consumers:

- 1) 2-3 years back, when I renewed my Singtel contract, the early termination charge was only \$250. Three weeks ago, when I renewed my contract, the termination charge was increased to \$450! In my opinion, this is not fair play as Singtel only subsidized \$350 off the published price of the Nokia Handset (compared to the shop with the lowest handset price with no contract). I fully support the idea of graduated termination charges as adopted in New Zealand. This is fairer to consumer. I strongly feel that consumers should be more protected and have more freedom of choice.
- 2) I hope the telecommunication companies can give consumer the option of choosing the length of contract. For example, they should make available options of No contract, 1 year contract plan, 2 years contract plan and so forth. Now, consumers are left with no choice but to be tied down to 2 years or lengthier contract. Many years ago when Virgin set up shop in Singapore, they brought in the concept of "No Contract" plans which became very popular in Singapore. Unfortunately, they didn't survive the intense competition.

Sincerely,

Mr. Jon Peng