

Question 2: IDA seeks comments on the proposed guideline that the ETCs for mobile, fixed-line telephone and broadband services offered to consumers (of contract periods longer than 3 months) should be graduated, to ensure compliance with Section 3.2.3 of the Code.

My comments are related to question 2. I am currently facing an issue of paying a non-graduated, fixed ETC for a Starhub broadband service which has 6 months till the end of its contract. Below is a brief context of my case:

- I signed on an 18-month Starhub Maxonline contract in Dec 2007, paying approximately S\$60 a month
- My recollection is that I did not receive any free gift except for the modem
- I am happy with the Starhub services and would have liked to continue with the contract but due to an impending overseas employment for a year, I sought to suspend my contract until I return to Singapore
- I called and emailed Starhub to inquire about suspension or early termination but was told that there would be an ETC of \$285.71 (before GST) for terminating my MaxOnline contract before its end date
- Starhub was only able to suspend my contract for a maximum of 2 months
- Starhub offered me an option whereby I can transfer my existing contract to another user, which I refused as I could not find anybody who does not already have an existing broadband service
- I was later SURPRISED and SHOCKED to learn from the Starhub Customer Affairs that the ETC was fixed and not graduated, only after I requested to change my termination date by one month
- Unfortunately, the Customer Affairs representative was unable to provide me with an adequate response to why there is no gradation on the ETC except to say that this is a company policy
- He however promised to look into my case if I was able to prove that I was indeed relocating overseas and will return to Singapore after a year. So, I was asked to provide documentary proof of my overseas employment and airticket
- The case is still pending and I am waiting for Starhub to respond
- I am providing below the email correspondence between me and Starhub. This may or may not be commercially sensitive and should serve as an annex to the comments I've raised

I support IDA's viewpoint that such high ETC is unreasonable and unfair due to the following reasons, largely based on my personal experiences:

- Starhub has not taken into account that I had already served more than 2/3 of my existing contract before I requested for an early termination and despite that, it still chose to impose a fixed ETC regardless of my termination date
- It does not have a clearly stated policy that allows for some form of mid-term suspension, which would help improve customer retention and services. IDA may like to look into this as well.

- The ETC of \$285.71 would be quite close to the actual amount that I would have paid if I continued my service i.e. \$60 x 6 months remaining = \$360 which I do not consider to be reasonably below that of the sum of the monthly fee for the remaining months of a terminating customer's contract.