



15 June 2007

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Attn: Mr. Andrew Haire
Deputy Director-General (Telecoms)

via post & email

Dear Sir,

RE: COMMENTS ON DRAFT CODE IDA

With reference to the above mentioned, kindly be informed that we would like to comment on certain parts of the draft code.

Section 2.2 talked about Terms & Conditions – font size.

This will definitely increase the cost in advertisement if have to include all terms & conditions which are lengthy in nature in a clearly visible font size.

In Section 2.2.1(b)(iii), with IDA anti spamming law, we have already had to put unsub. So, customer service hotline will be appeared in advertisement published. Detail pricing should be in terms & conditions and shouldn't be in main advertisement since it will be too lengthy and space consumption.

Example:

If we are to include all details in a single promotional message, there will be no space left to allow us to convey the marketing message

”<ADV> This service is provided by ABC Interactive, power by Rach Pte. Ltd. CS number 66666666 to unsub. Reply unsub to 88888888”

Above message has already occupy 128 characters, how do we convey a marketing message in 32 characters length?

Next, in section 2.2.2 We felt that it is impossible to include all terms & conditions in 160 characters in sms. Additional SMS might required if we include all terms and condition into our SMS, it will increase the cost for us to operate.



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Example:

Each content charge = 50cents

No. of SMS to be sent to include all T&C before service = 2

No. of SMS to be sent to acknowledge and reply after service = 2

Total cost = $(\$0.50 \times 40\% \text{telco cuts}) + \0.20t\&c
= \$0.40

Net Revenue = \$0.10 (excluding GST)

The cost is too high if we are to include all terms and condition in the SMS.

In section 2.5.1, We are required to put in charges and step by step instructions in sms subscription but it is already clearly introduced in advertisement. This will definitely increase the cost in sms. As stated in above, a redundancy work will increase the step of member subscribing to our service.

Example:

It is nearly impossible for us to include detail pricing and steps in a 160 characters SMS. If we are to include all detail steps, this may need 3 or more SMS to deliver the detail information to the user. It will increase our cost in two to three times. User may refer to a web site or printing media for the detail steps.

In section 4.2, IDA officer should have made an appointment, accompanied by police officer to enter our business premises. IDA should apply for warrant before accessing to the office lot.

In section 4.2.2 IDA officer can only access to those items that are relevant to the case.

Besides, we would like to comment with concern to 1900 services and SMS services. Live chat services should not limit to end user to operator only and it should open for public which means open live chatting from end user to end user. They should be able to live chat with one another and the prepaid mobile phone user should be able to subscribe to premium phone service too. As we can see for the past few years, revenue for premium line service has been reducing drastically. Thus, labor cost used in employing operators can't be covered by the profit gained. So, we strongly recommend that IDA will allow live chat between user-user instead of user-operator.

Finally, we would like to suggest and to seek for the approval for allowing prepaid card user to subscribe to premium line services in order to rescue the premium line provider industry.

Due to market trend towards a growing population of registered prepaid card users, by allowing prepaid mobile phone users to subscribe to premium line service will be a great way in avoiding as well as reducing bad debts and complaints in point of views of telco. Dispute calls in claiming few thousand dollars resulting in calling



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premium line service will not happen in prepaid caller market. On the other hand, the prepaid mobile phone users are able to control their usage and money spent efficiently on these services because there will be straight-deduction of the remaining value of their prepaid card as and when they subscribed to these services. The line will be auto cut-off once the card balance is reaching zero.

Your kind consideration is highly appreciated! Thank you.

Yours truly,
Lee Yuen Yong
Director