



**STARHUB LTD RESPONSE TO  
IDA PUBLIC CONSULTATION PAPER:**

**“DRAFT CODE OF PRACTICE FOR PROVISION  
OF PREMIUM RATE SERVICES”**

**14 June 2007**

---

1        **SUMMARY:**

1.1        StarHub Ltd (“**StarHub**”) is grateful for the opportunity to comment on IDA’s Public Consultation on the Draft Code of Practice for Provision of Premium Rate Services (“**the Draft Code**”).

1.2        StarHub acts as a “Billing Network Operator” for a number of third parties. Under the definitions proposed in the draft Code, StarHub could also be considered a “Premium Rate Service Provider” for a number of services.

1.3        StarHub supports IDA’s stated policy of ensuring the regulatory framework “*is balanced*”, and “*does not impose unnecessary or onerous regulatory requirements that would increase business costs for the industry.*<sup>1</sup>” However, the provisions of the draft Code, and the very broad definitions the draft Code contains, could well have a disproportionate impact on the industry, significantly increasing costs for operators. If introduced without modification, StarHub believes that the draft Code would:

- ➔ Heavily penalise those Premium Rate Service Providers who have behaved in a fair and responsible manner, providing valuable services to their customers; and
- ➔ Disrupt the provision of many value-added telecommunication services (which have not been the subject of customer complaints).

1.4        StarHub therefore believes that the Code should be modified to target those Premium Rate Service Providers who have acted in an unfair or irresponsible manner, rather than imposing heavy obligations on all operators in the sector. StarHub has carefully reviewed the draft Code, and our comments are structured as follows:

(a) **Section A**, which focuses on:

- i. International best practice for the regulation of content provision;
- ii. The definition of “Premium Rate Service” used under the draft Code;
- iii. The impact of the draft Code on foreign operators;
- iv. The impact of weekly/monthly reminder messages;
- v. The inherent limitations of SMS and billing systems; and
- vi. The need for transitional provisions.

(b) **Section B**, which examines the other sections of the Code.

(c) **Section C**, which sets out StarHub’s confidential information.

1.5        Given the importance of this issue, StarHub would request the opportunity to discuss the draft Code with IDA, before the Code is introduced.

---

<sup>1</sup> See “*Proposed Code of Practice for Provision of Premium Rate Services*”, paragraph 1.7.

---

## 2 PART A:

2.1 StarHub has considerable experience with the Premium Rate Services market. The policies we have in place for Premium Rate Services are fair, balanced, and responsible; taking into account the needs of all of the involved parties. Because of these policies, we believe that the number of mis-billing incidents involving StarHub customers is very small. We would highlight that, during the mTouche incident of February 2006, no StarHub customers were mis-billed.

2.2 We therefore believe that care is needed in regulating the provision of Premium Rate Services. While certain Premium Rate Services Providers might have acted outside the terms of their licenses (and should therefore be punished for their actions), we believe that the majority of Premium Rate Services Providers operate in a fair and responsible manner, providing valuable services to their customers. We are therefore concerned by the impact of the draft Code on such Providers, as well as by the potential impact of the draft Code on value-added telecommunication services in general.

2.3 Based on our knowledge of the Premium Rate Services market, we have identified six major issues that we believe will have to be addressed before the draft Code is finalised. These issues are set out below.

### DRAFT CODE AND INTERNATIONAL BEST PRACTICE:

2.4 In considering the appropriate regulatory regime for Premium Rate Services in Singapore, we believe that it is important to review how such services are regulated in other countries. Looking at other countries, we would note that (in general) they take a far more “light-handed” approach to Premium Rate Services than is being proposed in the draft Code. For example:

- **United Kingdom:** the Independent Committee for the Supervision of Standards of the Telephone Information Services (“ICSTIS”) regulates premium rate charged telecommunications services. ICSTIS is industry-funded, and focuses on self-regulation.
- **Australia:** premium rate services are regulated primarily through the Mobile Premium Services Industry Scheme, a regulatory code developed by the mobile and content industries.

2.5 IDA’s Code of Practice for Competition in the Provision of Telecommunication Services (the “Telecom Code”) specifically states that one of IDA’s goals is to: “*encourage, facilitate and promote industry self regulation in the information and communications industry in Singapore*”. Unfortunately, the draft Code fails to indicate why industry self-regulation (as has been introduced in Australia and the United Kingdom) would be inappropriate for Singapore. StarHub would respectfully suggest that industry self-regulation could be an effective way of addressing the concerns raised by IDA.

### DEFINITION OF “PREMIUM RATE SERVICES”:

2.6 The definitions set out s1.2 define the scope of the draft Code, and therefore its impact on the industry. Unfortunately, the definition of “Premium Rate Services” in s1.2 is drafted very broadly, and uses language that is general and non-exhaustive. Because of this, the definitions in the draft Code will capture a range of unrelated services, and might even deter the introduction of new value-added services.

---

2.7 Set out below are examples of three difficulties we can foresee with the proposed definition of “Premium Rate Service” used in the draft Code:

- ➔ **Example One:** Under s1.2.1 of the draft Code, any value-added service which involves the provision of “content” becomes (by definition) a Premium Rate Service if the service involves any charge that is above the “*standard network charges of the relevant operator*”. Therefore, if a mobile operator introduced a mobile broadcasting service, and charged for the content delivered, this service could be regulated as a Premium Rate Service. The mobile operator would be obliged to send reminder messages to its customers on an ongoing basis (s2.5), would face restrictions on the manner in which it advertised its service (s2.2), and would be subject to the unsubscribe/billing requirements of s2.6 (discussed below). These obligations would be imposed on mobile broadcasting services, despite the fact that there is no indication that these services would create concerns for customers.
- ➔ **Example Two:** Under s1.2.1 of the draft Code, any value-added service that provides “a facility” becomes a Premium Rate Service, if that service involves charges above the standard network charges. The term “facility” is undefined in the draft Code. If StarHub introduced a data service with charges higher than the “standard network charges” (for example, as part of a service with a higher QoS), this service could be considered a Premium Rate Service.<sup>2</sup> This outcome would seem to be very different from the stated objectives of the draft Code.
- ➔ **Example Three:** it could be argued that *any* value-added service, provided over a public telecommunications network, would automatically become a Premium Rate Service, if it involves: (i) charges above the standard network charges; and (ii) a “facility”. Unfortunately, a wide range of services would potentially be caught by this definition, including international roaming for mobile customers.

2.8 We believe that the proposed definition of “Premium Rate Services” would generate significant difficulties. The proposed definition would capture services for which no complaints have been received, and which are outside the scope of IDA’s investigation. Because of the onerous obligations imposed on Premium Rate Service Providers, the proposed definitions could also deter the launching of: (i) value-added services; and (ii) any service involving “content” (such as mobile broadcasting).

2.9 To avoid this problem, StarHub would strongly submit that the definition of Premium Rate Services should set out the services to be regulated in a full and comprehensive manner. StarHub would suggest the following wording:

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

*(a) the provision to any end-user of news, update, data, quiz, joke, greeting message, ringtone, wallpaper, logo and game service for which charges are imposed over and above the standard network charges of the relevant network operator;*

---

<sup>2</sup> The term “Facility” is used in the United Kingdom as part of the definition of “Premium Rate Service”. However, it is important to note that, in the United Kingdom, Subsection (14) of the Communications Act 2003 provides greater clarity as to what is meant by a “facility”. This subsection makes particular reference to: (i) a facility for making a payment for goods or services; (ii) a facility for entering a competition or claiming a prize; and (iii) a facility for registering a vote or recording a preference. Unfortunately, no such clarity has been provided in the draft Code.

---

*(b) the provision of 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);*

#### **IMPACT ON FOREIGN OPERATORS:**

2.10 Under the obligations of the draft Code, all Premium Rate Service Providers must be: (i) registered with the Accounting and Corporate Regulatory Authority (“ACRA”); and (ii) licensed by IDA. While we understand that this requirement is intended to target those “rouge operators” who might mis-bill customers from overseas locations, we believe that this obligation would impose unnecessary costs on the industry.

2.11 Under ACRA guidelines, registered parties must: (i) establish a physical presence in Singapore (and a Post Office Box will not meet ACRA’s requirements); (ii) have at least two local agents who are residents of Singapore; and (iii) prepare annual reports and audited financial statements. Imposing this obligation on Premium Rate Service Providers will strongly discourage foreign providers from making their content available to customers in Singapore. This will reduce customer choice and the vibrancy of the content market.

2.12 StarHub is particularly concerned that this measure would strongly discriminate against i-mode providers. StarHub’s i-mode partners will typically be based overseas, and will provide content to customers in any of the 22 countries supporting i-mode (including: Japan, Australia, Taiwan, France, and Israel). A fundamental feature of i-mode services is the ability of content providers to remotely serve the 50 million i-mode customers around the world. Imposing a local registration obligation on i-mode content providers could potentially discourage the provision of services to i-mode customers in Singapore. StarHub Mobile is unaware of any mis-billing complaints in regard to its i-mode service.

2.13 To address IDA’s concerns in regard to “rouge operators” who might mis-bill customers from overseas locations, StarHub would propose two alternatives. IDA could either:

- i. Include a provision in the draft Code to allow IDA to direct Billing Network Operators to withhold or suspend payments to Premium Rate Service Providers if IDA suspects that the Premium Rate Service Provider has acted in a manner contrary to the draft Code. In this way, IDA can ensure that prompt action can be taken to protect the interests of customers, even if the Premium Rate Service Provider is located overseas.

or

- ii. Require only those operators who have been found to have acted in a manner contrary to the Code to establish a local presence in Singapore, and allow other content providers to be hosted overseas. In this way, those content providers who have acted in compliance with the draft Code will not be penalised by the cost of establishing a local presence.

2.14 We believe that the solutions proposed above would avoid the imposition of unnecessary costs on parties complying with the Code, whilst allowing IDA to take effective action against those parties acting in breach of the Code.

---

## WEEKLY/MONTHLY REMINDER MESSAGES:

2.15 The draft Code requires Premium Rate Service Providers to send numerous notification messages to customers purchasing subscription-based services. These notification messages include:

- An obligation to send the customer a confirmation message following the customer's request for service, acknowledging the customer's request, detailing the charges payable for the service, and setting out step-by-step unsubscribe instructions (s2.5.1).
- An obligation to send the customer a reminder message at least 24-hours before the end of the subscription period, plus weekly reminder messages (s2.5.2). These reminder messages would contain the same information already provided to the customer under s2.5.1.
- An obligation to send a notification to the customer, confirming the receipt of the customer's unsubscribe keyword command (s2.6.7).

2.16. Assuming that the service in question combines usage charges and subscription fees, and that an average customer will subscribe to the service for 24 months, the Premium Rate Service Provider would have to send over 120 notification messages to each customer for each service subscribed to. Even if the service just levies a one-time upfront charge (so that s2.5.3 applied), the Premium Rate Service Provider would still have to send 26 notification messages to each customer for each service. These messages must be sent to the customer, unless the customer expressly notified "*the premium rate service provider that he does not wish to receive such reminder messages.*"

2.17 We believe that s2.5.1 and s2.5.2 would have two main results:

- First, the cost of providing Premium Rate Services would increase significantly. It is likely that a number of operators providing subscription-based services would terminate their operations. Other operators may seek to reflect their higher operating costs through increased retail charges to customers.
- Second, it would result in significant customer dissatisfaction, as customers would have to opt-out of receiving an ongoing stream of (repetitive) messages.

2.18 The notification provisions of the draft Code are particularly damaging given the very broad definition of "Premium Rate Services" set out in s1.2. Given the s1.2 definitions, any provider of value-added or content services could potentially find themselves with an ongoing obligation to send ongoing, unnecessary, repetitive messages to its customer base. We strongly believe that this would act to deter the development of new value-added and content services.

2.19 If an initial confirmation message has been sent to the customer, StarHub strongly believes that sending reminder messages under s2.5.2 and s2.6.7 is entirely unnecessary. StarHub would therefore propose to retain s2.5.1, and to delete s2.5.2 and s2.6.7.

## LIMITATIONS OF TECHNOLOGY:

2.20 The draft Code would impose heavy obligations on the networks and systems of the Premium Rate Service Providers and Billing Network Operators. However, the draft Code has not adequately addressed the very real limitations that those networks and systems have.

2.21 For example:

- 
- (i) **Billing Systems:** Under s2.10.3 and s3.3.1 of the draft Code, Premium Rate Service Providers and Billing Network Operators (respectively) must ensure that all bills include the following minimum information: (a) the name of the premium rate service provider as registered with the ACRA; (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 premium rate service provider's customer service hotline. We believe that it is highly unlikely that existing billing systems would be able to handle that volume of information for a single line entry. IDA will be aware that the customisation of billing systems is extremely costly and time-intensive. The inclusion of additional billing information would also increase the cost that Billing Network Operators face.
- (ii) **SMS Systems:** Under s2.5.1 of the draft Code, if a customer requests a service via SMS, the Premium Rate Service Providers must send a SMS confirmation message setting out an acknowledgement of the customer's subscription to the service, the charges payable for the service, and the step-by-step instructions on how he can unsubscribe from the service (including the unsubscribe keyword command if applicable). However, the standard configuration of SMS messages is limited to 160 characters. It is highly unlikely that all of the mandated information could be contained within a single SMS message (given that multi-part messages will create customer confusion and dissatisfaction).
- (iii) **SMS Advertising:** SMS advertising can be an effective means of communicating with customers. However, under s2.2 of the draft Code, Premium Rate Service Providers must include in their SMS advertisements: (i) the description of the premium rate service offered; (ii) the name of the premium rate service provider (as registered with ACRA); (iii) the Premium Service Provider's customer service hotline; and (iv) a full and complete statement of all prices, terms and conditions of the premium rate service that have a bearing on the charges payable by customers. While these obligations might be practical for physical media (such as newspapers), the standard configuration of SMS messages is limited to 160 characters. As it is currently worded, s2.2 could effectively preclude any form of SMS advertising for content-based services.
- (iv) **SMS Notifications:** The complexities involved in complying with s2.5 should not be overlooked. The information to be contained in the SMS notification messages will have to vary from service-to-service (given that charges will vary between services, as will unsubscribe procedures). The draft Code also proposes that customers would be able to choose to "opt-out" of receiving such messages.<sup>3</sup> The database necessary for this service would have to be extremely sophisticated (and would take time and resources to establish). It is highly likely that many Premium Rate Service Providers will not be in a position to comply with this obligation.
- (v) **Service Terminations:** Under s2.6.2 of the draft Code, a Premium Rate Service Provider, offering subscription-based services, upon the receipt of a

---

<sup>3</sup> In addition, it is unclear from s2.5.4 whether customers would have the option of un-subscribing from notification messages for each individual service offered by a Premium Rate Service Provider, or whether they would just have the option of un-subscribing from notification messages for all messages sent by the Premium Rate Service Provider.

---

customer's termination request must "*immediately cease to provide any further chargeable content or facilities*". However, all billing processes require some lead-time for processing termination requests, and so it is impractical for billing to cease "immediately". We believe that the requirement for an immediate cessation of services is impractical.

2.22 StarHub would respectfully submit that it is necessary for the draft Code to take into account the inherent limitations of networks and billing systems. In this regard, we would propose that:

- (i) Under s2.10.3 and s3.3.1 of the draft Code, Premium Rate Service Providers and Billing Network Operators (respectively) would only have to include in customers' bills: (a) the name of the premium rate service for which the end-user is being charged; (b) the charges incurred by the end-user for the service; and (c) the premium rate service provider's customer service hotline. This obligation would be subject to limitations on billing systems.
- (ii) SMS notifications sent to customers pursuant to s2.5 would only need to contain a URL link to the Premium Rate Service Provider's webpage, with that webpage containing the charges payable for the service and the step-by-step instructions on how to unsubscribe from the service.
- (iii) s2.2 should be modified, so that advertisements sent via SMS would simply need to include a URL link to a website containing all the information set out in s2.2.
- (iv) As noted above, StarHub strongly believes that if an initial confirmation message has been sent to the customer, sending reminder messages under s2.5.2 and s2.6.7 is entirely unnecessary. If s2.5.1 is retained, and s2.5.2 and s2.6.7 deleted, we do not believe that s2.5.4 would be needed.
- (v) StarHub would propose that s2.6.2 be amended to refer to Premium Rate Service Providers "upon receiving such instruction, shall within a reasonable period cease to provide any further chargeable content or facilities to the end user". We believe that it is reasonable for customers to give 48 hours notice of termination of a subscription-based service.

2.23 We submit that these measures would fully meet IDA's customer education and customer protection requirements, without causing unnecessary cost to (or damage of) the industry.

#### **TRANSITIONAL PROVISIONS:**

2.24 If the draft Code is to be implemented, time would be needed to put in place the necessary changes to billing and SMS systems. Time would also be needed to educate overseas parties on the requirements of the draft Code.

2.25 StarHub would suggest that s2.2 (as it relates to physical media advertisements), s2.3, s2.6, s2.7, s2.11, s2.12, s2.13, s2.4 be introduced first. We would suggest a phased introduction of the other sections of the draft Code, given the serious impact they could have on the industry, and the time needed for their introduction.

#### **CONCLUSION:**



---

2.26 StarHub believes that any moves to regulate Premium Rate Services should be proportionate and in line with international best practice. StarHub already has measures in place to protect its customers in the event of mis-billing, and we believe that the number of mis-billing incidents involving our customers is very small.

2.27 We are therefore concerned by the terms proposed in the draft Code, and by the open-ended definitions the draft Code uses. We believe that the draft Code, if introduced, would seriously deter the provision of content-based services, and would impose higher costs on those Premium Rate Service Providers who have behaved in a fair and responsible manner.

2.28 StarHub respectfully submits that it is important for the Code to be focused more closely on “errant” Providers, to reduce the burden of the draft Code on the rest of the industry. In particular, we believe that the definitions used in draft Code should be narrowed, and focussed on information services. We also believe that the obligation to provide ongoing SMS “notifications” would be expensive, aggravating for customers and ineffective; and that such obligations should be removed. We are concerned by the proposed obligations for Premium Rate Service Providers to be registered in Singapore (as this would certainly reduce the vibrancy of the market), and we would propose that this obligation only be imposed on operators who have transgressed the Code. In the drafting of the Code we also submit that it is critical to take into the account the very real limitations that exist for billing and SMS systems (such as the fixed length of SMS messages). We would also strongly suggest that transitional provisions will be needed, given the impact the draft Code could have.

2.29 StarHub is grateful for the opportunity to comment on the draft Code. Given the importance of this issue, StarHub would welcome the opportunity to discuss this matter with IDA in greater detail.

---

### 3 PART B:

#### DRAFTING COMMENTS ON DRAFT CODE:

3.1 StarHub has carefully reviewed the proposed terms of the draft Code. Our comments on these terms are set out below.

<b>Subject:</b>	<b>Definition of “end-user”</b>
<b>Clause:</b>	1.2.1
<b>Wording:</b>	<i>“end-user” means a purchaser or subscriber of the relevant premium service’</i>
<b>Issue:</b>	This definition is flawed. If StarHub Mobile purchases content from a Premium Rate Service Provider, for resale to its own customers, StarHub Mobile would become an “end-user”. As such, StarHub Mobile would have the ability to “unsubscribe” to the service via SMS, like any end-user of the service.
<b>Amendment:</b>	The reference to “purchaser” should be deleted, so that the definition focuses on retail end-user customers.

<b>Subject:</b>	<b>Definition of “electronic message”</b>
<b>Clause:</b>	1.2.1
<b>Wording:</b>	<i>“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’</i>
<b>Issue:</b>	The proposed definition is open-ended, and can therefore give rise to uncertainty. For example, a fax is a message sent over a “public telecommunications network via an electronic messaging system”, but is unclear whether IDA would find this an acceptable form of communication with customers.
<b>Amendment:</b>	The definition should be comprehensive, and we would suggest that it be limited to: e-mail, SMS and MMS services. If future technologies evolve to become important communication channels with customers, the Code can be amended to reflect this.

<b>Subject:</b>	<b>Definition of “advertisement”</b>
<b>Clause:</b>	1.2.1(k) and 2.2
<b>Wording:</b>	Advertising includes: <i>“advertisements communicated via telephone and electronic messaging”</i> .
<b>Issue:</b>	<p>s2.2 of the draft Code sets heavy obligations on Premium Rate Service Providers in regard to the information that has to be included in advertisements. While these obligations might be practical for physical media (such as newspapers), the standard configuration of SMS messages is limited to 160 characters. We do not believe that it would be possible to include all of the information set out in S2.2 in 160 characters.</p> <p>The sending of multi-part SMS messages could well annoy customers, and would certainly increase costs for the Premium Rate Service Providers. Therefore, the obligations set out in s1.2.1(k) and s2.2 would have the practical impact of preventing Premium Rate Service Providers from advertising via SMS. We do not believe that such an outcome would be in the best interests of the industry or its customers.</p>

<b>Amendment:</b>	A more effective solution would be to require any advertisements sent by SMS to have a clear ULR link to a webpage setting out the information required in s2.2. We note that s2.8.2 already contains provisions in which Premium Rate Service Providers can utilise URL links, and we submit that the same approach should be used for SMS advertising, given the limited number of characters that SMS messages can contain.
-------------------	--

<b>Subject:</b>	<b>Definition of “Premium Service”</b>
<b>Clause:</b>	1.2.1
<b>Wording:</b>	<i>“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 ... for which charges are imposed over and above the standard network charges of the relevant network operator”</i>
<b>Issue:</b>	As noted above, we believe that this definition is too wide. We believe that this definition would capture a range of services unrelated to IDA’s investigation (such as mobile broadcasting services), and would severely restrict the growth of these services. We submit that the definition of Premium Service should be comprehensive, so as to avoid uncertainty in the industry. If future services evolve, and which are in need of regulation, the Code can be amended to reflect this.
<b>Amendment:</b>	<i>“premium rate service” means any value-added service provided over a public telecommunications network which consists of: (a) the provision to any <u>end-user</u> of news, update, data, quiz, joke, greeting message, ringtone, wallpaper, logo and game service for which charges are imposed over and above the standard network charges of the relevant network operator”</i>

<b>Subject:</b>	Definition of “Premium Service”
<b>Clause:</b>	1.2.1
<b>Wording:</b>	<i>“premium rate service” means any value-added service provided over a public telecommunications network which consists of ... (b) the provision of a facility to any person ... for which charges are imposed over and above the standard network charges of the relevant network operator”</i>
<b>Issue:</b>	As noted above, we believe that this definition is also too wide. This definition could capture a range of value-added services, unrelated to content services (such as international roaming). We believe that this could impose an unintentional burden on operators. We believe that a comprehensive definition should be provided, clearly setting out the services to be regulated.
<b>Amendment:</b>	<i>“premium rate service” means any value-added service provided over a public telecommunications network which consists of: ... (b) the provision of 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;”</i>

<b>Subject:</b>	<b>Definition of “purchase keyword command”</b>
<b>Clause:</b>	1.2.1
<b>Wording:</b>	<i>“means the unique text message designated by a premium rate service provider ...”</i>
<b>Issue:</b>	As a practical matter, if a Premium Rate Service Provider offers a wide range of services, it might be very difficult to offer a “unique” text message for each service. We therefore believe that it is necessary to delete the

	reference to “unique”.
<b>Amendment:</b>	<i>“means the text message designated by a premium rate service provider ...”</i>

<b>Subject:</b>	<b>Definition of “unsubscription keyword command”</b>
<b>Clause:</b>	1.2.1
<b>Wording:</b>	<i>“means the unique text message designated by a premium rate service provider ...”</i>
<b>Issue:</b>	As a practical matter, if a Premium Rate Service Provider offers a wide range of services, it might be very difficult for the Provider to offer a “unique” text message for each service. We believe that it is necessary to delete the reference to “unique”.
<b>Amendment:</b>	<i>“means the text message designated by a premium rate service provider ...”</i>

<b>Subject:</b>	<b>Advertising</b>
<b>Clause:</b>	2.2.1
<b>Wording:</b>	<i>“A premium rate service provider shall ... in relation to all advertisements relating to its premium rate service, comply with the following requirements”</i>
<b>Issue:</b>	We believe that this wording is too broad, and could capture “generic” advertisements used for raising brand awareness of particular services. For example, generic advertising for StarHub’s i-mode service might be caught unintentionally by this requirement.
<b>Amendment:</b>	<i>“A premium rate service provider shall ... in relation to all advertisements relating to <u>a particular</u> premium rate service, comply with the following requirements”</i>

<b>Subject:</b>	<b>Provision of Hotline</b>
<b>Clause:</b>	2.2.1(b)(iii)
<b>Wording:</b>	<i>“the customer service hotline operated by the premium rate service provider”</i>
<b>Issue:</b>	Taken literally, s2.2.1(b)(iii) requires all Premium Rate Service Providers to operate their own customer service hotlines. In reality, a Premium Rate Service Provider might want to outsource this function to a third party, and we can see little reason for preventing this.
<b>Amendment:</b>	<i>“the premium rate service provider’s customer service hotline”.</i> This amendment would also be consistent with s2.10.3 of the draft Code.

<b>Subject:</b>	<b>Advertising</b>
<b>Clause:</b>	2.2.2(d)(ii)
<b>Wording:</b>	<i>“where a disclosure or advertisement relates to or promotes ... 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”</i>
<b>Issue:</b>	The definitions of “facility” and “premium rate service” are very broad. Conceivably, the provision of a premium rate data service could fall within this definition.
<b>Amendment:</b>	We strongly believe that it is necessary to limit the scope of the definition of Premium Rate Service, as set out above.

<b>Subject:</b>	<b>Designating keyword commands</b>
<b>Clause:</b>	2.4.1
<b>Wording:</b>	<i>“A premium rate service provider who enables its premium rate service to be purchased or subscribed for via electronic messaging must ... 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.”</i>
<b>Issue:</b>	This requirement has the potential to generate significant customer dissatisfaction. If this wording is followed, customers may find that, even if they have clearly indicated that they wish to subscribe to a service, their request will not be accepted, as they have not used exactly the right keyword command. To avoid customer dissatisfaction, we believe that it is simply necessary for the customer to clearly indicate that they wish to purchase the service in question.
<b>Amendment:</b>	<i>“A premium rate service provider who enables its premium rate service to be purchased or subscribed for via electronic messaging must ... not accept any purchase or subscription for that service by any end-user unless that end-user has clearly indicated that they wish to purchase the premium rate service.”</i>

<b>Subject:</b>	<b>Designating Unique keyword commands</b>
<b>Clause:</b>	2.4.3
<b>Wording:</b>	<i>“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.”</i>
<b>Issue:</b>	For a smaller premium rate services provider, compliance with this clause might be possible. However, for larger operators, with possibly hundreds of unique premium rate services, this clause may simply be impractical.
<b>Amendment:</b>	We believe that this clause should be deleted.

<b>Subject:</b>	<b>Ongoing Acknowledgement Messages</b>
<b>Clause:</b>	2.5.2
<b>Wording:</b>	<i>“a premium rate service provider ... shall 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, where the length of the subscription period is more than a week, shall in addition send a reminder message to the end user at least once a week during the subscription period commencing from the date of his subscription to the service”</i>
<b>Issue:</b>	The Premium Rate Service Provider will be required to advertise the service in a clear and unambiguous manner. The customer must request services using a defined command key. The Premium Rate Service Provider must send a confirmation message to the customer. We therefore believe that requiring ongoing reminder messages to be sent to customers will: (i) impose unnecessary costs on Premium Rate Service Providers; (ii) aggravate customers; and (iii) be unnecessary, given all the steps set out above.
<b>Amendment:</b>	We strongly believe that this clause should be deleted.

<b>Subject:</b>	<b>Unsubscribing from Subscription-Based Services</b>
<b>Clause:</b>	2.6.2

<b>Wording:</b>	<i>“A premium rate service provider who provides a subscription-based premium rate service ... 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.”</i>
<b>Issue:</b>	<p>It is important to note that the customer may have subscribed to a subscription-based Premium Rate Service for a minimum service period. In such cases, we believe that it is only reasonable for the customer to comply with the terms of their agreement with the Premium Rate Service Provider. In such cases it would be inappropriate to allow the customer to be able to immediately unsubscribe from the service, in breach of their contract.</p> <p>In addition, we believe that it is necessary for customers to provide reasonable notice of termination. This time is needed for amending the billing cycle for the customer.</p>
<b>Amendment:</b>	<i>“A premium rate service provider who provides a subscription-based premium rate service ... 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, cease within 48 hours to provide any further chargeable content or facilities to the end user (subject to the terms of the contract the end user has entered into with the Premium Rate Service Provider)”</i> .

<b>Subject:</b>	<b>Unsubscribe Commands</b>
<b>Clause:</b>	2.6.5
<b>Wording:</b>	<i>“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.”</i>
<b>Issue:</b>	This requirement has the potential to generate significant customer dissatisfaction. If this wording is followed, customers may find that, even if they have clearly indicated that they wish to unsubscribe to a service, their request will not be accepted, as they have not used exactly the right keyword command.
<b>Amendment:</b>	<p>We believe that this clause should be deleted. An alternative option would be to follow the Australian model, and require that:</p> <p><i>“Premium messaging services shall be configured to allow customers to make a request to discontinue subscription to the service by entering the word ‘STOP’ in a message sent from the customer’s handset to a destination number or address associated with the particular service.”</i></p>

<b>Subject:</b>	<b>Unsubscribe Commands</b>
<b>Clause:</b>	2.6.7
<b>Wording:</b>	<i>“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.”</i>
<b>Issue:</b>	Taken literally, this clause would require the Premium Rate Service Provider to provide a confirmation message, even if the customer makes a

	verbal request for unsubscription. We believe that this obligation would be unnecessary.
<b>Amendment:</b>	<i>“A premium rate service provider shall upon receiving an <u>electronic message</u> 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.”</i>

<b>Subject:</b>	<b>Duty to Charge only for Content</b>
<b>Clause:</b>	2.7.1
<b>Wording:</b>	<i>“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”</i>
<b>Issue:</b>	Under the current definition, is likely that StarHub Mobile would be considered a “Premium Rate Service Provider”. Taken literally, under this clause StarHub Mobile would not be able to charge other Premium Rate Service Providers for the carriage of the messages (or other communications) that those Premium Rate Service Providers send to their customers. We believe it is necessary to clarify this clause to allow mobile operators to charge Premium Rate Service Providers for the carriage of messages.
<b>Amendment:</b>	<i>“a premium rate service provider shall not charge any <u>end-user</u> for any message or other communication, whether originating from the premium rate service provider to the <u>end-user</u> or vice versa, that does not contain actual content or relate to that <u>end-user</u>’s use of the premium rate service <u>in regard to a premium rate service offered by that premium rate service provider.</u>”</i>

<b>Subject:</b>	<b>Chat Services</b>
<b>Clause:</b>	2.9.1
<b>Wording:</b>	<i>“Where a premium rate service provider operates a chat service ... 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 preset the maximum number of chargeable chat messages that he wishes to receive in response to every chat message sent by him.</i>
<b>Issue:</b>	Implementing this requirement would require significant modifications to the existing systems (without any business case to support this work). In addition, we believe that this feature is unnecessary if customers have been advised up-front of the costs they will incur with the service.
<b>Amendment:</b>	We believe that this clause should be deleted.

<b>Subject:</b>	<b>Billing Information</b>
<b>Clause:</b>	2.10.3
<b>Wording:</b>	<i>“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 –</i>

	<p>(a) the name of the premium rate service provider as registered with the Accounting and Corporate Regulatory Authority of Singapore;</p> <p>(b) the name of the premium rate service for which the person is being charged;</p> <p>(c) the charges incurred by the person for the service; and</p> <p>(d) the premium rate service provider's customer service hotline.</p>
<b>Issue:</b>	As noted above, we believe that this obligation is unnecessary and impractical. We do not believe that existing billing systems would be able to comply with this obligation.
<b>Amendment:</b>	<p><i>"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 –</i></p> <p>(a) the name of the premium rate service for which the end-user is being charged;</p> <p>(b) the charges incurred by the end-user for the service; and</p> <p>(c) the premium rate service provider's customer service hotline.</p> <p><i>subject to any limitations of the systems of the Billing Network Operator."</i></p>

<b>Subject:</b>	<b>Charging for Unsolicited Services</b>
<b>Clause:</b>	2.11
<b>Wording:</b>	<i>"A premium rate service provider shall not charge any person for any service that he did not specifically take action to purchase or subscribe for."</i>
<b>Issue:</b>	This section effectively duplicates the requirements of section 3.3.3 of the Telecoms Code. As such, we believe that this section is unnecessary.
<b>Amendment:</b>	We believe that this clause should be deleted.

<b>Subject:</b>	<b>Disputes</b>
<b>Clause:</b>	2.12
<b>Wording:</b>	<i>"A premium rate service provider shall not collect payment ..."</i>
<b>Issue:</b>	This section effectively duplicates the requirements of section 3.3.4 of the Telecoms Code. As such, we believe that this section is unnecessary.
<b>Amendment:</b>	We believe that this clause should be deleted.

<b>Subject:</b>	<b>End User Service Information</b>
<b>Clause:</b>	2.14
<b>Wording:</b>	<i>"EUSI consists of all information ....."</i>
<b>Issue:</b>	This section effectively duplicates the requirements of section 3.3.7 of the Telecoms Code. As such, we believe that this section is unnecessary.
<b>Amendment:</b>	We believe that this clause should be deleted.

<b>Subject:</b>	<b>Obligation only to provide services to Licensed Operators</b>
<b>Clause:</b>	3.2
<b>Wording:</b>	<i>"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."</i>
<b>Issue:</b>	We believe that this clause imposes an unreasonable obligation on Billing Network Operators to police the industry. Billing Network Operators will



	not be in a position to judge whether a party is adequately licensed, or whether that party's licence has been revoked. Only IDA will be in a position to determine whether a Premium Rate Service Provider is adequately licensed.
<b>Amendment:</b>	We believe that this clause should be deleted. If the clause is included in the final Code, it will be necessary for IDA to advise Billing Network Operators of those parties who have been provided with a licence <i>"to provide such premium rate service"</i> .

<b>Subject:</b>	<b>Billing Information</b>
<b>Clause:</b>	3.3.1
<b>Wording:</b>	<i>"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 –</i> <i>(a) the name of the premium rate service provider as registered with the Accounting and Corporate Regulatory Authority of Singapore;</i> <i>(b) the name of the premium rate service for which the person is being charged;</i> <i>(c) the charges incurred by the person for the service; and</i> <i>(d) the premium rate service provider's customer service hotline.</i>
<b>Issue:</b>	Please see comment on 2.10.3
<b>Amendment:</b>	Please see comment on 2.10.3

<b>Subject:</b>	<b>Enforcement</b>
<b>Clause:</b>	4
<b>Wording:</b>	
<b>Issue:</b>	This section effectively duplicates the requirements of the Telecoms Code. As such, we believe that this section is unnecessary.
<b>Amendment:</b>	We believe that this clause should be deleted.