Vodafone Limited

Premium Rate Services (PRS) and Messaging Code of Practice

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Code of Practice

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Author: **Jeremy Stafford-Smith**
Department: **B2B Enablers**
Approved: **Joanna Werker**

Change History

The following revisions have been made to this document

Version 1.3
Addition of sections 10 and 11. Amended wording of section 5.4

Version 1.4
Revision of sections 5.7, 5.8, 7.1, 9, 11.9; Revised guidance on emoney regulations. New guidelines on marketing to ex-subscribers.

Version 1.5 (Aug 2005)
Various updates to include code extension for subscription services (10.6, section 11) broadened up STOP command to cover common user errors (10.2)

Version 1.6 (Sept 2005)
Section 9 has been revised following industry consultation, in order to clarify existing requirements.

Version 1.7 (June 2007)
Various updates have been made including; extending the requirements for unsolicited messages and reverse charging (4.2, 4.6, 4.7, 4.8) and adding the anonymous SMS requirements section (7).

Version 1.8 (April 2008)
Changes to WAP service charging (4.9).

Version 1.9 (November 2012)
Updated to reflect; PhonepayPlus' 12th Code of Practice, focus on DDRC and the Payforit 4 Scheme Rules.

PRS & Messaging – Code of Practice

1. General Principals

1.1   The premium rate Services Agreement which has been entered into by you imposes a number of obligations on you, including, in particular, a requirement to ensure that your services, the messages that you send and all associated marketing materials comply with all applicable laws and regulations. These guidelines do not qualify those obligations in any way.

1.2   We recommend that you obtain independent legal advice on your services to ensure that you are compliant with your obligations under the premium rate services agreement and applicable law. These guidelines are not intended to constitute legal advice to you or to address all legal issues which are likely to apply.

1.3   These guidelines shall constitute a Code of Practice (CoP) issued by Vodafone Limited, and you are required to comply with these guidelines pursuant to the premium rate Services Agreement that you have entered into. There are further CoP pertaining to Location Based Services, Content Standards and Advertising Standards that are relevant to Vodafone PRS Service Agreement schedules.

1.4   It is the intention of Vodafone Limited that where our customers are utilising services that are charged to the mobile telephony account, that they can do so with confidence, are fully aware of what financial commitments they have agreed to and must be able to cease to receive charges when they wish.

1.5   Marketing Consent - As per the PhonePay Plus 12th CoP, section 2.4.2; Consumers must be able to cease to receive marketing messages when they wish, using the Stop Command. Under no circumstance does an MO request, text donation or request to purchase count as a positive marketing opt-in.

1.6   An end-customer must be able to easily obtain customer service and redress from the service provider.

1.7   Vodafone Limited requires that if a service is discovered and/or delivered by means of WAP/WEB sites, (discovery is not limited to but includes; online banners, search terms, QR codes) that the Payforit (PFI) Scheme rules using the Vodafone Charge to Bill platform(CTB) are used and adhered to. No PFI accredited customer shall be transferred over to Premium SMS billing. Failure to comply is a breach of your premium rate Services Agreement.

1.8   Vodafone Limited mandates that all transactions result in a separate free to user SMS Receipt. Detailed requirements are in the 'Receipt Information' section

1.9   Vodafone may at its discretion and without incurring any liability to you, suspend its services, withhold payments due to you and recover reasonable costs that it has incurred in making refunds to customers and investigating any breach of this Code, if it has reason to believe that you are in breach of the premium rate Services Agreement (which includes this Code of Practice).

2. PhonepayPlus (PPP, formerly The Independent Committee for the Supervision of Standards of Telephone Information Services – ICSTIS)

2.1   You must ensure that your service complies with all the requirements of the PhonepayPlus Code of Practice and Guidelines. The 12th Code of Practice (in force from 1st September 2011) requires that recognised/designated L1s[1] actively manage the risk and apply 'due diligence' to L2s[2] to prevent them causing consumer harm. The current code and guidance can be found at **www.phonepayplus.org.uk**

2.2   Before offering any premium rate voice or message service, you must register with PhonepayPlus and notify PhonepayPlus with the telephone number ranges and the name, address, email address, telephone number and fax number of the person representing the service provider who is nominated to receive all communications in connection with the application of the PhonepayPlus Code of Practice.

2.3   As a contracted Vodafone Aggregator you must actively demonstrate that you have applied a comprehensive Due Diligence (DD) process when contracting with a Merchant (sub L1 or L2) and that you apply an on-going Risk Control strategy (RC) for all your customers. Customers of customers create risk and this should be reflected in your DDRC. Failure to maintain an effective DDRC or not to supply (or publish) an effective, working support lines will be considered a significant breach of your Vodafone Contract.

2.4   You may also need to obtain prior permission from PhonepayPlus if you are offering certain services, such as, for example, live conversation. When you have obtained permission for such services, please provide to Vodafone a copy of the certificate/letter from PhonepayPlus confirming that permission has been granted prior to operating such services.

2.5.   PPP recognises the authority of the PFI scheme rules to regulate CTB payment mechanisms. It is vital that APIs should be conversant with the rules that cover the promotion of services in the PPP 12th CoP and abide by them.

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[1] L1 – As per 5.3.8a in 12th CoP
[2] L2 – As per 5.3.8b in 12th CoP

3. **Banned Service Providers**

3.1   You must not knowingly engage or permit the involvement of any individual who is banned from offering premium rate services by PhonepayPlus as an "Associated Individual". A list of these individuals is published in the monthly report produced by PhonepayPlus, which can be found on the PhonepayPlus website as above.

3.2   Vodafone Limited reserves the right to disallow the content from sub L1s or L2s which is proven or it can be reasonably confident is causing consumer harm from using the Vodafone network.

4. **Use of the Vodafone Charge to Bill platform**

4.1   Vodafone Limited requires (rule 1.7) that if a service is discovered and/or delivered by means of WAP/WEB sites, (discovery is not limited to but includes; online banners, search terms, QR codes) that the Payforit (PFI) Scheme rules (using the Vodafone Charge to Bill platform) are used and adhered to. The evolution of the scheme rules is approved by cross MNO PFI Management Group

4.2   No PFI accredited customer shall be transferred over to Premium SMS billing. Failure to comply is a breach of your premium rate services agreement.

4.3   Vodafone prohibits re-tries in single transactions on the CTB platform.

4.4   Vodafone allows Subscription services to use re-tries but limits the use of retries to only PAYG customers using the following rules;
Day one, 3x times
Day two, twice,
Day three (until the day before the subscription lapses), once a day.
Example, for a weekly subscription; On day 6x the subscription is deemed to be void and the customer should be removed from the list.

4.5   Bill Descriptions: Information submitted on the order form and in the <ProductDescription> field will be displayed on the customer bill. The information on the order form and <ProductDescription> must be consistent, contain no more than 18 characters (including spaces) and must contain the:
Payforit Service Name, Merchant ID or
Service Name, UK Support Number.

4.6   Both PPP and Vodafone Limited require prior permission for services at price points on or above £10.00

4.7   Spend Limits are described below.

5. Spend Limits on Vodafone UK Network

5.1   The intention of: transaction, daily and monthly spend limits is to ensure that a customer can utilise the services provided on the network without exposing themselves to unchecked usage. There are published spend limits in the current PPP code (2.3.12) regarding specific services.

5.2   Vodafone Limited requires that an end-customer shall be subject to a maximum spend limit of £30/transaction, £30/day and £500 per month when using either Premium SMS or Charge to Bill schedule.

6. Charity Services

Vodafone Limited requires that all charity text donations are serviced by Accredited Payment Intermediaries through the Charge to Bill platform and conforms to the contractual Charity schedule and where possible the Payforit scheme rules should be used.

Please refer to the Mobile Data Association 'Framework for Charitable Donations using UK Mobile Networks document for detailed guidance.
http://www.charitytext.org/the-framework-agreement

7.   General Messaging rules including; Unsolicited Messages and Reverse Charging

7.1   Unsolicited messages - Commercial text message messages must not be sent to Vodafone's customers unless they have given their prior consent and agreed to receive such messages. Sending unsolicited text messages is against EU law.

7.2   Consent must be obtained from the end user by opting in to receiving marketing information. It must be clear to the end user that they are opting in. The opt in box may be pre ticked for updates from the service provider.

7.3   Reverse Charging - Customers must not be sent text messages for which they will incur a charge unless the customer has previously agreed to this.

7.4   You, as the supplier, are responsible for compliance with the requirements of paragraphs 7.1, 7.2 and 7.3 and you should retain copies/confirmation of consent to show to Vodafone on request.

7.5   If consent has been obtained from customers to marketing via text message, such marketing must be restricted to products and services which are the same or similar to those originally provided and for which consent was

originally given. Text messages which promote products or services dissimilar or unrelated to the original consent may only be sent where the additional and specific consent of a customer has been secured.

7.6   Messages should not continue to be sent to a MSISDN to which an MT message has not been successfully delivered for a period of 6 months.

7.7   SMS Marketing Messages
SMS marketing messages must state that they are free by including in the message 'free message' or 'freemsg' at the beginning of the message.

The ability to opt out of future marketing messages must also be stated in the body of the message e.g. 'to unsubscribe reply STOP to 8XXXX'.

7.8   WAP/WEB Push Marketing Messages
WAP push marketing messages must state in the title that they are free and identify the short code related to the service e.g. '8xxxx: free message'.

Service providers should offer users a simple mechanism for opting out of receiving marketing messages. The service provider must select whether they achieve this by either one or both of the following mechanisms:

1. A short code to which the user can send a STOP command in order to unsubscribe from WAP/WEB marketing messages should be clearly available on the WAP/WEB page or site which could state" to unsubscribe from receiving further messages send STOP to 8xxxx". This should be located on the front page.

2. Recipients of WAP/WEB push marketing messages should be able to click a link on the WAP/WEB site to unsubscribe from receiving such messages. This should be located on the front page.

7.9   Mobile Broadband and WAP/WEB Pricing
Service providers must provide unambiguous pricing by ensuring that the cost of the service is clearly viewable on every WAP/WEB page above ANY billing link or group of links. Charging can take place in two ways:

1. Payforit via an Accredited Payment Intermediary. For service providers who use our Charge to Bill system, you are reminded that our Payforit Scheme Rules must be adhered to at all times

    These rules have been developed in conjunction with the PhonepayPlus regulations and ensure that our customers are protected at all times.

2. Premium SMS. Where content is charged for by premium rate SMS the end user must provide an MO (this is required before charging on

every session). Please refer to Rule 1.5 and 4.1 for clarity on
acceptable PSMS services.

8. Information to be provided to End Customers

The following information must be provided to a customer by you <u>before</u> any charges are applied. All information must be supplied in a clear and unambiguous manner and in a form which is readily intelligible to recipients of a premium rate service.

For Subscription based services, additional regulations apply – refer to the final section.

For Payforit services refer to the PFI Scheme rules.

8.1 <u>The identity of the supplier</u> - This must be the trading or operating name of the organisation. If the service is a text message service, we would recommend adding the words "From [company name]" at the beginning of a text message, and including this information in associated marketing and promotional material. Premium rate voice or text services must not imply that such services are being supplied by or are endorsed by Vodafone

8.2 <u>Contact details</u>, which must consist of at least one of the following:
- A telephone contact number (standard rate or free helpline numbers which must not be charged at a premium rate);
- A full postal address including postcode;
- A PO Box number including postcode (PO Box numbers cannot be used in the case of employment, employment information and business opportunity service)

8.3 <u>A description of the service</u> - It should be clear to the customer what a service is (i.e. a reverse charge text chat service, entertainment service, information service, etc) and how it works.

8.3.1 Text messages should <u>not</u> use any implied personal message or other message which creates a false imperative to reply by premium text message or by premium rate telephone number. There are no definitive rules as to what may constitute such an invitation - it is up to you, as the supplier, to apply common sense. Examples of implied personal messages may include "I fancy you", "I miss you", "I'm lonely do you want to chat?", "where are you?", "Urgent, please call".

8.4 <u>The price (including VAT) of the service</u> - The price must be clear and not misleading in any way. This will mean giving the full price of the service, including the cost to initiate and terminate the service. For example, for a text

message game, we would recommend that both the price of each text message sent and received and the total maximum cost of playing the entire game should be provided. Pricing information must be prominently displayed and easy to understand and where the customer is unlikely to have seen or heard any promotion containing pricing information, the pricing information must be placed at the beginning of the message or call. If you are providing a service via WAP/WEB, such as the provision of multimedia messages, you must:

8.4.1   Make clear to the customer before the service is confirmed (e.g. in advertising materials) that the customer will also be charged in accordance with their standard data tariff to download any content and that the customer will need a handset capable of receiving multimedia messages and enabled to receive these messages.

8.4.2   Not attempt to submit any unsolicited multimedia messages via WAP. In this regard, it is not sufficient that a customer has previously given consent to receive marketing messages; rather, a customer must be aware of and agree to the data charge to download any 'free' multimedia messages. You must not charge for these services via premium rate text message.

8.4.3   Ensure that any message sent to the customer containing the URL where they download a Multimedia Message or other WAP content is not charged at a premium rate.

8.4.4   Include access to service specific Terms and Conditions.- This content is not charged at a premium rate. These T&Cs should be reasonable in length and if service is refused due to specific L1/L2 requirements these should be explained. These T&Cs should not attempt to limit customers Statutory Rights. It is prohibited to assume the end customer automatically opts-in to marketing permissions in the T&Cs.

8.4.5   Use a separate Sub-Address for premium rate text traffic used to charge for Multimedia Messages.

8.5   Arrangements for payment i.e. how the charges will be billed.

8.6   How long the service is available for (where applicable). For example, for a text message chat service where users continue to receive messages, we would recommend sending a message to the customer which states that "You will receive up to X amount of messages. To cancel at anytime Text STOP to xxxx".

8.7 <u>Service Delivery or Instructional Messages</u>
Instructional messages are messages that welcome, explain or provide general or specific information about a premium rate SMS service to customers but are not a substantive part of the service being promoted. **These messages must not be charged at premium rates**.

Non-exhaustive examples of instructional messages include:

- An SMS sent confirming the age of a customer
- An SMS sent confirming the exit of a customer from a service
- An SMS sent explaining how a service works but which does not contain any 'content' or form a substantive part of the service itself.

- See Section on STOP command Requirements.
- How customers can cease or exit a service and ensure no further messages are received and charged for. This information must be provided before a customer starts to engage in the service. This opt-out 'request' should be charged at normal (and not premium) text message rates and require not more than one text message to take effect. Any messages confirming exit from the service should be free.

The above information may be provided in marketing literature or on an associated website. However, you, the supplier should check that the customer has seen this (or has had a reasonable opportunity to see it), for example by encouraging the customer to read T&Cs. You, as the supplier, must ensure that the customer is also able to obtain the postal address of the supplier's place of business where complaints can be sent. Vodafone requires that as a minimum, the name, contact details and price of a service must be included in any text message marketing a service.

9. Receipt Information to be provided to End Customers

As detailed in Rule 1.6, you must send a separate text receipt message for all purchases which is free to the user that details the purchase. The minimum requirement is below;

FreeMsg: Thank you for your payment of <price in £> for <product or service name> from <merchant>. HELP? <UK standard rate or free helpline number>

PFI SMS receipts are covered in detail in Rules Chapter E of the PFI Scheme rules. This should form the model for PSMS receipts as well.

Virtual Chat services must adhere to the above format using the PPP 12th CoP 2.3.12.c spend reminder thresholds. (currently £8.52 + VAT)

This is so that the customer can recognise the service when they receive their phone bill. For the avoidance of doubt, you must still provide pricing information in advance of the provision of the service.

10. Bill Description Formats

Information submitted on the order form for the for display in the customer bill description

Premium SMS: Shortcode

Payforit   Service Name Merchant ID or
              Service Name UK Support Number

11. Age Checks

For 'text chat' services of an adult nature (i.e. sexual entertainment service, SES), you must ensure that the customer is over the age of 18 before starting a service in accordance with the PhonepayPlus Guidelines.

Prior to running any services which are deemed as Adult under the Vodafone Content Standards for 3rd Party Guide, you must inform Vodafone of the URLS content is delivered from and also the Shortcodes used for charging, subscription and delivery of content.

12. Anonymous SMS

Services that enable users to send SMS's to recipients from a website without using their own MSISDN.

12.1   The identity of the user must be verified by using services such as credit card registration.

12.2   Users of the service must be over 18.

12.3   A second message must be sent to the recipient immediately after the initial message. This should contain the sender's identity and mobile number.

12.4   The recipient should be able to identify the sender via the web or calling a non-premium rate number.

12.5   The service provider should monitor any voicemail box for user complaints and alert the police or any governing body where they feel it is appropriate.

12.6   The recipient should be able to use a STOP command to bar any further messages from the service.

13. Legal and Regulatory Compliance

Please refer to section 1.1 of this code however the following are common areas of concern:

13.1   You, as the supplier, must comply with any other applicable laws pertaining to the United Kingdom and the European Union, codes of practice and guidelines including (but not limited to):
a. Data Protection Act 1998
b. Privacy and Electronic Communications (EC Directive) Regulations 2003, and Guidance notes for marketers issued by the Office of the Information Commissioner
c. EU cookie laws
d. Consumer protection laws related to the sale and supply of goods and services including The Consumer Protection (Distance Selling) Regulation 2000

13.2   Prize Competitions/Prize Draws - Legal advice should always be taken when offering prize competitions or prize draws to ensure that they are not illegal. Competitions should always have a publicised closing date, and lists of winners must be made available on request.

13.3   Where you have sub-contracted the provision of text messages to anyone else, you, as the supplier, remain responsible for compliance with the premium rate services agreement and these guidelines.

14. Marketing to Children

In the UK, Vodafone does not market or promote mobile phone services to the under-16 age group.

It is a requirement of companies using Vodafone Premium Rate services that this group is not targeted.

15. E-Money Restrictions concerning supply of physical goods:- Services Not Delivered To The Mobile

15.1   Vodafone is not an issuer of electronic money. You must ensure that all content and services you deliver comes within the exception to the definition of electronic money as set out in regulation 3 of the Electronic Money Regulations 2011.

15.2   Premium SMS may only be used to pay for content and services delivered to and to be used through the user's mobile phone (or through another telecommunication, digital or IT device) and shall under no circumstances be used to supply physical goods to the user.

16. STOP Command for Mobile Text Services

16.1   Vodafone requires all text services to support STOP texts as follows:

16.2   STOP TEXT – is any MO text message starting with the word 'stop'. The word stop can be made up of any mix of lower or upper case letters and be followed by a space, full stop or by no further character. Service operators should make reasonable efforts to understand and process STOP commands where stopping the services are clearly the customer's intention.

16.3   STOP ALL TEXT – is similar to the STOP TEXT and contains the words 'stop all'. In certain cases the word 'stop' may be preceded by spaces or by a tag such as '<forwarded from…>' – the word 'stop' may follow such characters.

16.4   A STOP TEXT sent to a short code will terminate the text services from that short code as follows:

If the short code is used for only one service then that service shall be terminated. If the short code has shared use for several services then the most recent service used by the handset shall be terminated. This means the service sending the most recent Mobile Terminate (MT) Text.

A STOP ALL text shall terminate all services on the short code.

16.5   A STOP TEXT sent in response to a free of charge text– such as a marketing message will terminate the users consent for all further texts.

16.6   Receipt of a STOP instruction, whether by MO SMS or through other routes such as a telephone helpline, web site or email must be confirmed by a free MT message. If an MO text cannot be decoded it is acceptable that the text application sends a helpful text to the handset.

16.7   Wherever STOP instructions are displayed, the information provided must advertise the generic STOP command, and additionally service specific STOP commands – for example "stop polytones" may also be advertised.

17. Cross MNO Subscription Services Requirements

17.1   Definition of Subscription Service
- Recurring service initiated by a sign-on process
- Scope – all services billed by a mobile payment mechanism – not just SMS services
- The result of a single sign-on process is one single subscription service, and rules apply for each single subscription service

17.2   **General requirements**
Vodafone Limited fully endorses the MNO Code of Practice for mobile charged Subscription Services

This section should be read in conjunction with the above code

Aggregators need to recognise that clause 1.7 of this code takes precedent

17.2.1   Any advertising or promotion relating to mobile charged Subscription Services must include the following information in a prominent position within the body of the advert or promotion, in close proximity to the call to action and at no less than 50% of the font size of the call to action or shortcode being promoted:

17.2.2   The fact that the service is a Subscription Service

17.2.3   The name of the service

17.2.4   The subscription cost and charging frequency in £ and pence

17.2.5   Initial and additional fees if relevant

17.2.6   Any other relevant information that would affect the consumers' decision to commit to the transaction

17.2.7   Clear information related to any intent to market to the consumer and an opt out facility or instruction to prevent such marketing

17.2.8   Additional regulatory requirements such as the name of the promoter and the contact details must also be declared in the promotion.

17.2.9   Use of abbreviations or acronyms is forbidden unless there is evidence to demonstrate users knowledge of the meaning of the abbreviations or acronyms.

17.2.10   Promotions for other products or services if required should not be aimed to confuse the user or to obfuscate the relevant information detailed above.

17.2.11   Recommended text for advertising that would contain the mandatory information above is;

"Join or Subscribe to [name of service and optional description – maximum of 35 characters] for [cost of service in £] per [billing frequency] [plus an initial charge of £x]. [Other relevant information and terms]"

Other forms of promotional wording are permitted as long as the main promotion contains the information detailed above and that re-wording the promotion will not materially affect the consumers' decision to commit to the Subscription Service charges.

17.2.12   UK helpline. Service operators must operate a standard or freephone customer helpline and advertise the number where required below. The number shall at all times offer direct access to spoken terms and conditions, including name of service, pricing amount and frequency, STOP command. The helpline, if manual, must be staffed during normal UK office hours (9am- 5pm, Monday-Friday) and provide a message taking facility outside of these hours. Customers must be able to unsubscribe through this helpline.

17.2.13   Service operators must offer a website, on whose home page there must be the terms and conditions of the service or a clear and prominent link to them. Customers must be able to unsubscribe through this website.

17.2.14.   Messages should not continue to be sent to a MSISDN to which an MT message has not been successfully delivered for a period of 4 months.

17.3. Advertising & Promotion

17.3.1 TV Advertising

Information must be permanently and statically displayed on-screen for the whole duration of the advertisement and must appear in close proximity to the main service shortcode advertised in the same font type in monochrome colour and background (black on white or white on black) or in high contrast and must be no smaller than 50%, (or 30 pixels whichever is the larger), of the font size used for the advertised shortcode and / or call to action.

17.3.2 **Voiceover**

There must be a voiceover and that voiceover must include the information detailed in section 17.2 (1-9) above. Additional wording may be included as long as this does not interfere with or obscure the information in 17.2 (1-9).

The voiceover recommended wording is: "Join or Subscribe to [name of service and optional description] for [cost of service in £] per [billing frequency] [plus an initial charge of £x]. [Other relevant information and terms]

17.3.2. **Radio Advertising**

The voiceover for mobile charged Subscription Services shall include the information as detailed in section 17.2 (1-9).

The spoken information that is recommended is the same as voiceover (17.3.1.) for TV services:

In addition, the voiceover should include details of a website location or printed material where the full terms and conditions of the individual service are displayed.

17.3.3 **Print & Web-based Advertising**

Mobile charged Subscription Services must include the information detailed in section 17.2 (1-9) in a prominent position within the body of the advert. For adverts spanning more than one page, this information must be displayed on the first page of any advertisement.

For Web-based adverts, the information must be visible without requiring the viewer to scroll down to see it, it must be prominent and positioned in close proximity to the call to action and / or shortcode. The information must be no smaller than either 50% of that used for the advertised shortcode or call to action or 10 point font size whichever is the greater.

17.3.4 **WAP/MMS/xHTML Advertising**

As per Web-based Advertising, the information must be displayed as detailed in 17.1 (1-9), must be above the fold and must be proximate to any call to action.

17.3.5 **SMS and MMS based Advertising**

For all SMS/MMS or WAP-based advertising, marketing or promotion, the message shall be free of charge to the recipient and begin with the text "FreeMsg" if sent from a shortcode or the sender address can be set to "FreeMsg".

In the case of the sender address being anything but a shortcode, information for the consumer to enable an opt-out to further marketing must be contained in the message or a following message and the opt out method must be via text, telephone call, or handset accessible web page.

Where the sender is a shortcode, the instruction for opt-out from marketing can be to reply to the shortcode with Stop.

For SMS-based advertising, the information contained in 17.1 (1-9) must be contained as a minimum.

The recommended message content is:

"FreeMsg: Join or Subscribe to [name of service and optional description – maximum of 35 characters] for [cost of service in £] per [billing frequency] [plus an initial charge of £x]. SP [SP name and contact details]. Optout? Reply [opt-out keyword]

17.3.6   **Additional Advertising Requirements**
If in any advertisement, irrespective of the media used, there are multiple services, multiple price points or multiple terms and conditions these must be clearly defined within the advert and each grouping of services, pricing or terms must use the recommended promotion information as detailed in 17.2 (1-9).

Any offers that vary from a fixed cost per billing frequency must include a full description in either the [cost of service in £] or [billing frequency] sections of the prescribed text. e.g. "Subscribe to [name of service and optional description – maximum of 35 characters] for [Introductory two weeks without charge, £3 per fortnight thereafter]….".

It is important to note however that any attempt to over-complicate, mislead or obfuscate the true nature of either the costs or renewing nature of the service by manipulating or extending this text unnecessarily will be deemed to be not in the best interests of mobile subscribers and therefore in breach of this code.

17.4. Service Operation – Subscription initiation

MSISDN Verification
17.4.1   All mobile charged Subscription Services except those operating under the Payforit scheme or other MNO based exemption (with appropriate audit rules) require an opt-in using a subscriber initiated MO text message from the handset bearing the mobile phone number (MSISDN) that will be charged.

17.4.2 In the case of Web-based registration, the user can enter their MSISDN into a web service to be sent a text message (from a shortcode) soliciting a reply containing a positive opt-in ("OK", "accept", "yes" etc.). The call to action of entering the phone number into the web site must contain the information in 17.1 (1-9) in close proximity to the call to action. The text message that is sent to the user must not contain any wording that would tempt another user to respond to the message.

A suggested message is: "FreeMsg: To confirm you wish to proceed with the [name of service] costing [Price in £] per [billing frequency], reply Y to this message. Help? [Phone number of provider]

If the correct response is not received, the registration must be treated as unsuccessful and no charges should be applied to the MSISDN that was used in the attempted registration.

17.4.3 A double-opt in and Prior Permission may be required by PhonepayPlus if the service is not operating under Payforit and is equal to or greater than £4.50 in any one week.

17.5 **Post Subscription initiation**

Free or Billed Response to Subscription Message After a mobile user joins a Subscription Service they must be sent, from the service, a text message containing the following text:

"[FreeMsg] U have joined [or] subscribed to [name of service and optional description – maximum of 35 characters] for [cost of service in £] per [billing frequency] until you send STOP to [shortcode]. Help? [Non premium rate UK number]."

This message may be a free-to-receive message, in which case it starts with "FreeMsg:" or it may be the first billing message.

If the shortcode used as the "from" address for this message is different than the shortcode used to stop the service and it does not support the subscription STOP command, then a reply from the user must be responded to by an error message that details the correct shortcode.

The Service must not charge for STOP command messages sent in error to shared short-codes

No deviations from or amendments/additions to this text will be allowed.

17.6   **Subscription Reminder Messages**

For services / products that cost <u>more than</u> 50p per product or charge, reminder messages must be sent at each month after the Subscription Service initiation or after the spend of £20, whichever comes sooner. The message must contain the wording below and be repeated every month or £20, whichever comes sooner

"[FreeMsg:] Reminder: U are subscribed to [name of service and optional description – maximum of 35 characters] for [cost of service in £] per [billing frequency] until you send STOP to [shortcode]. Help? [Non premium rate UK number]."

For services which cost <u>NO more than</u> 50p per product (for example football alerts), the cost per product or per charge must be sent monthly but can be added to the end of a product or charge message.

For example "FA Premiership HT: Portsmouth 2, Southampton 1. Each text costs 25p. Text STOP to [shortcode] to end service.

17.7   **Stop Command, Confirmation and Reminder**

12.7.1 A user must be able to cancel a Subscription Service at any time by sending the word STOP to the shortcode detailed in the subscription initiation and reminder messages. The word "stop" should not be case sensitive and could be followed by other characters but must be the first word of the text message.

17.7.2 All charges related to the subscription should cease on receipt of the STOP command.

17.7.3 When the Subscription Service has been ceased by the user, a confirmation message must be sent from the service.

If the user is in multiple Subscription Services on the same shortcode, then the STOP command should cease the last service that the user used or was charged from and a confirmation message sent which contains information about other services that are still in active subscription.

17.7.4 If the user sends "STOP ALL", then all Subscription Services related to that shortcode and related to the provider of services on that and other shortcodes must cease immediately including any further marketing activity. The STOP Confirmation message may also be used to promote other same or similar services, but it should also be clear to the recipient that their original subscription has been cancelled.

17.7.5. Subscription service users must be sent a reminder of the stop command. Service operators may discharge their responsibility for separate **STOP** command reminders by including the **STOP** command in every service message, such as the monthly subscription reminder or in every billing message group.

17.8 Opt out of STOP command

Subject to prior permission from PhonepayPlus, service operators may offer the facility for consumers to choose to opt out of the spend reminder for specific services. An example might be a corporate service where the corporate might not want an employee to be able to stop a service.

17.9 Termination of Services

17.9.1 No service may advertise or operate a "minimum subscription period". Users must be free to leave a service at any time and service operators must do nothing to indicate that this is not the case.

17.9.2 Where mobile operators provide lists of dormant or quarantined MSISDNs, service providers must clean their databases to reduce the number of failed billing attempts.

17.10 Post subscription Marketing

Users who have sent in STOP to cancel a service are particularly sensitive to any further messages they receive from that service. Service operators wishing to continue advertising to ex-subscribers are advised to take the following action to avoid unnecessary complaints

- Inform the customer that this will happen in the subscription cancellation (**STOP** acknowledgement) message, and provide an opt-out at that point

- Begin marketing messages with the phrase "FreeMsg".

- **STOP** sent in response to a marketing message must unsubscribe the user from further marketing messages. In addition such user's numbers must not be sold on to other companies for marketing purposes.