

Case Reference	R/E/I/113
Title	InternetQ Singapore Pte Ltd's (" InternetQ ") Contravention of the Premium Rate Services Code (" PRS Code ")
Case Opened	26 March 2014
Case Closed	12 August 2014
Complainant	IDA initiated enforcement proceedings
Respondent	InternetQ Singapore Pte Ltd
Case Summary	<p>IDA received complaints from end users in regards to InternetQ's Badabee and Akazoo services.</p> <p><u>Badabee</u> Badabee is an SMS platform service which enables subscribers to send SMSes to friends all over the world. Subscribers to the Badabee service will be given 30 credits each week (Badabee will send three chargeable SMS to each subscriber per week, and 10 credits will be deposited into the subscribers' accounts with each chargeable SMS) and with each SMS sent by the subscriber, 1 credit will be deducted. To subscribe, end users have to enter their mobile phone numbers on the Internet advertisement and send a SMS containing the purchase keyword command "BD" to 146079000. Once subscribed to Badabee, the subscriber will receive 3 chargeable SMS each week, at S\$2.14 w/GST per SMS, amounting to a total of S\$6.42 w/GST per week. The Badabee service is an ongoing service, which means that the subscriber will continue to receive chargeable SMS until he sends a SMS containing the unsubscription keyword "STOP BD" to 146079000.</p> <p><u>Akazoo</u> Akazoo is a music portal subscription service. Subscribers to the Akazoo service will receive "tokens" which they can then use to download music tracks online, and send international SMS. To subscribe, end users have to enter their mobile phone numbers on the Internet advertisement and send a SMS containing the purchase keyword command "AKA" to 146079000. Once subscribed to Akazoo, the subscriber will receive 3 chargeable SMS each week, at S\$2.14 w/GST per SMS, amounting to a total of S\$6.42 w/GST per week. The Akazoo service, like the Badabee service, is an ongoing service which will continue to send chargeable SMS to the subscriber until the subscriber sends an SMS containing the unsubscription keyword "STOP AKA" to 146079000.</p> <p>IDA's investigation revealed that InternetQ did not send the required reminder messages to end users of the Badabee and Akazoo</p>

	<p>services, from the period 16 January 2014 to 20 March 2014.</p> <p>By failing to ensure that its systems were configured appropriately to send the required reminder messages, InternetQ had thereby <u>contravened Section 2.6.2(a)(i) of the PRS Code</u>.</p>
<p>IDA's Determination</p>	<p>Section 2.6.2(a)(i) of the PRS Code provides as follows:-</p> <p style="padding-left: 40px;"><i>“2.6.2 Subject to sections 2.6.4 and 2.6.5 [of the PRS Code], for every new subscription, -</i></p> <p style="padding-left: 80px;"><i>(a) a premium rate service provider who provides a premium rate service referred to in section 2.6.1(a)¹ shall:-</i></p> <p style="padding-left: 120px;"><i>(i) 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 <u>no later than 24 hours before the end of each subscription period</u>; ...” [Emphasis added]</i></p> <p>Section 2.6.3 further provides that “[t]he reminder message shall contain the following information –</p> <p style="padding-left: 40px;"><i>(a) reminder to the end user of his subscription for the [PRS] service;</i></p> <p style="padding-left: 40px;"><i>(b) the charges payable for the service; and</i></p> <p style="padding-left: 40px;"><i>(c) clear instructions on how he can unsubscribe from the service (including the unsubscription keyword command if applicable).”</i></p> <p>Section 2.6.6 of the PRS Code also stipulates that “<i>premium rate service providers shall not impose any charges for any confirmation or <u>reminder</u> messages send to end users</i>” [emphasis added].</p> <p>The above provisions require PRS providers to send reminder messages to the subscriber (in this case, of either the Badabee and/or Akazoo services) by the same medium by which the end user subscribed for the service or by SMS <u>by no later than 24 hours before the end of each subscription period</u>. This means that InternetQ is required to send reminder messages to each end user by no later than 24 hours before the end of each weekly</p>

¹ Section 2.6.1(a) of the PRS Code refers to a premium rate service provider who provides “a subscription-based premium rate service in which the subscription is automatically renewed at the end of every subscription period unless the end user takes action to unsubscribe from the service” [Emphasis added].

subscription period.

Contravention of Section 2.6.2(a)(i) of the PRS Code

InternetQ experienced two service difficulties on 18 September 2013 and 15 October 2013, which affected a total of 698 InternetQ's subscribers.

The two incidents affected the sending out of the reminder messages (i.e., reminder messages were not sent out) to a total of 73 subscribers.

Separately, a configuration mistake in InternetQ's systems resulted in the omission of reminder messages for 625 of InternetQ's end users.

IDA's investigation concluded that InternetQ did not manage its systems adequately to ensure their compliance with the PRS Code.

IDA therefore determined that InternetQ had contravened Section 2.6.2(a)(i) of the PRS Code.

Taking all relevant facts and circumstances into consideration, IDA imposed a financial penalty of **\$5,000** on InternetQ for its contravention of Section 2.6.2(a)(i) of the PRS Code.