

<b>Case Reference</b>	R/E//055
<b>Title</b>	Efusion's Failure to Disclose Terms and Conditions of Music Download Content Service
<b>Case Opened</b>	19 May 2006
<b>Case Closed</b>	17 July 2006
<b>Complainant</b>	IDA initiated enforcement proceeding
<b>Respondent</b>	Efusion Pte Ltd ("Efusion")
<b>Case Summary</b>	<p>On 4 May 2006, Efusion advertised a music download content service in The New Paper that offered a promotional rate of \$0.44 per download to new members.</p> <p>However, the advertisement did not make it clear that this promotional rate was only applicable to new members within their first 2 weeks of subscription and that a higher rate of \$0.88 per download would automatically apply thereafter. Furthermore, members of the music download content service were subject to auto-renewal of membership on a bi-weekly basis and there is no reminder or notification to these newly subscribed members on the applicable non-promotional rates.</p>
<b>IDA's Determination</b>	<p>IDA determined that Efusion had breached Section 3.2.2 of the Code which states that:</p> <p><i>"[p]rior to providing any telecommunications service to an End User, a Licensee must disclose to that End User the prices, terms and conditions on which the Licensee provides such telecommunication service. In addition, a Licensee must also publish, in a form available to the public, the prices, terms and conditions of its standard telecommunication services. The information must be published in a manner that is readily available, current and easy-to-understand."</i></p> <p>(a) By failing to provide a reminder that the \$0.44 per download offer only applied to new members within their first 2 weeks of subscription; subsequent downloads would be charged at \$0.88 per download; and that members are subject to auto-renewal of membership on a bi-weekly basis, Efusion has failed to disclose all relevant key prices, terms and conditions to End Users in an easy-to-understand manner to allow End Users to make an informed choice. In view of the above, IDA concludes that Efusion has breached Section 3.2.2 of the Code.</p> <p>Since this was the first time Efusion had committed the breach and IDA had not received any complaints over the</p>

	matter and that Efusion had quickly rectified the misleading advertisement, IDA issued a warning to Efusion for its breach of Section 3.2.2 of the Code.
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