

<b>Case Reference</b>	R/E//062
<b>Title</b>	Funmobile's Failure to Configure its Mobile Ringtone Download Service to Comply with the Premium Rate Services Code
<b>Case Opened</b>	3 January 2008
<b>Case Closed</b>	4 April 2008
<b>Complainant</b>	IDA initiated enforcement proceeding
<b>Respondent</b>	Funmobile Pte Ltd (" <b>Funmobile</b> ")
<b>Case Summary</b>	On 28 December 2007, arising from end user complaints against Funmobile, IDA conducted a check on Funmobile's mobile ringtone download service (the " <b>Service</b> "). IDA discovered that Funmobile's Service was non-compliant with Section 2.5.1 of the PRS Code. Funmobile had not authenticated end users, or received expressed consent from end users via SMS for subscription to the Service. Instead, Funmobile allowed end users to subscribe for the Service entirely via the Internet.
<b>IDA's Determination</b>	<p>In October 2007, IDA issued the Premium Rate Services Code (the "<b>Code</b>") which imposes obligations on premium rate service ("<b>PRS</b>") providers. In particular, Section 2.5.1 of the PRS Code states that: "<i>A premium rate service provider who enables its premium rate service to be purchased or subscribed for via the Internet to be delivered to mobile phones must –</i></p> <p><i>(a) designate a specific purchase keyword command for that service ... ;</i></p> <p><i>(b) send ... a purchase keyword command for that service ... ; and</i></p> <p><i>(c) ensure that it receives a SMS message containing the purchase keyword command from the same mobile phone number that was provided or used in the Internet registration before delivering the service to that mobile phone.</i>" [emphasis added]</p> <p>Section 2.5.1 of the Code therefore imposes an obligation on PRS providers, which offer PRS subscription via the Internet ("<b>Internet PRS</b>"), to ensure that they authenticate an end user and receive expressed consent from the end user via his mobile phone, before activating the subscription to the Internet PRS. In the event that any end user disputes the validity of his subscription to an Internet PRS, IDA would be in a position to independently verify, via SMS records, whether the end user had indeed subscribed for the service.</p> <p>IDA recognised that PRS providers would require time to make changes to their system to comply with the PRS Code. IDA had therefore decided that the PRS Code</p>

would come into effect only on 16 December 2007.

As Funmobile has failed to configure its Internet PRS in compliance with the Code, IDA found that Funmobile was in breach of Section 2.5.1 of the Code. IDA imposed a financial penalty of **\$1,000** on Funmobile's for its breach of Section 2.5.1 of the Code.