

<b>Case Reference</b>	R/E/I/079
<b>Title</b>	ZingMobile's Contraventions of the Premium Rate Services Code (" <b>PRS Code</b> ")
<b>Case Opened</b>	19 February 2010
<b>Case Closed</b>	26 July 2010
<b>Complainant</b>	IDA initiated enforcement proceeding
<b>Respondent</b>	ZingMobile Pte Ltd (" <b>ZingMobile</b> ")
<b>Case Summary</b>	<p>IDA had received a complaint from a member of the public regarding ZingMobile's "iPhone" Quiz Service. Arising from IDA's investigation into the complaint, IDA discovered that ZingMobile had contravened Sections 2.2.1(a) and 4.2.1 of the PRS Code, as described in the sections below:</p> <p><u>"iPhone" Quiz Service</u></p> <p>Subscribers to ZingMobile's "iPhone" Quiz Service would be charged \$4.00 for each SMS question they received from ZingMobile. By answering a question, ZingMobile would send the subscriber a subsequent SMS question chargeable at \$4.00. The subscriber would receive a maximum of 5 questions per week.</p> <p>IDA noticed that the Internet advertisement for the "iPhone" Quiz Service stated that the maximum number of questions that a subscriber would receive is "2 questions per week" instead of 5 questions per week. This meant that end users subscribing to the "iPhone" Quiz Service would not have been accurately informed of the applicable prices for the service. The erroneous advertisement was published on the Internet from 21 January 2010 to 11 March 2010. In all, a total of 301 subscribers had signed up for the iPhone Quiz Service during this period.</p> <p>To facilitate IDA's investigations of the "iPhone" Quiz Service, IDA had required ZingMobile to provide IDA with the necessary information and clarifications. However, ZingMobile had failed to provide IDA with accurate information and within the stipulated timelines.</p>

<p><b>IDA's Determination</b></p>	<p>Section 2.2.1(a) of the PRS Code provides that: “A premium rate service provider shall, in disclosing the prices, terms and conditions required under section 2.1, and in relation to all advertisements relating to its premium rate service, comply with the following requirements –</p> <p style="padding-left: 40px;">(a) No disclosure or advertisement shall be presented in a manner that is reasonably likely to confuse or mislead in any way, whether by inaccuracy, ambiguity, exaggeration, omission or otherwise.”</p> <p>Section 4.2.1 of the PRS Code provides that “ IDA may at any time require a relevant licensee to provide IDA with any information or documents which IDA requires for the purpose of investigating a contravention of this Code.”</p> <p>IDA therefore found ZingMobile to be in contravention of the following sections of the PRS Code:</p> <p>(a) Section 2.2.1(a) of the PRS Code – ZingMobile had failed to ensure the accuracy of its Internet advertisement for the “iPhone” quiz service.</p> <p>(b) Section 4.2.1 of the PRS Code – ZingMobile had failed to exercise care in addressing IDA's requests for information.</p> <p>IDA considered the following aggravating and mitigating factors when determining the appropriate enforcement action to be imposed on ZingMobile for this case:</p> <p><u>Aggravating Factors</u></p> <p>(a) A total of 301 users had subscribed to the “iPhone” Quiz Service after viewing the Internet advertisement which contained the wrong maximum number of chargeable SMSes.</p> <p>(b) ZingMobile had provided IDA with inaccurate information.</p>

	<p><u>Mitigating Factors</u></p> <p>(a) ZingMobile took prompt action to rectify its Internet advertisement and granted full waiver of charges to all 301 subscribers.</p> <p>(b) IDA and ZingMobile did not receive any consumer complaints on the misleading advertisement concerning the maximum number of chargeable SMSes.</p> <p>Taking these factors into consideration, IDA decided to <b><u>impose a financial penalty of \$2,000</u></b> on ZingMobile for the contravention of Section 2.2.1(a) of the PRS Code and <b><u>issue a warning</u></b> to ZingMobile for its contravention of Section 4.2.1 of the PRS Code.</p>
--	--