

Case Reference	R/E/I/091
Title	Mobile Fusion Pte Ltd's Contraventions of the Premium Rate Services Code (" PRS Code ")
Case Opened	4 July 2011
Case Closed	8 February 2012
Complainant	IDA initiated enforcement proceeding
Respondent	Mobile Fusion Pte Ltd (" Mfusion ")
Case Summary	<p>IDA has received a complaint against a mobile content download service, "Mobile Fun Club" (the "Service") provided by Mfusion, which allows end users to, via WAP, either make one-time downloads of content at \$3 per download, or subscribe to a weekly subscription service at \$5/week and purchase content at \$0.50 per download. To unsubscribe the latter subscription service, an end-user will have to send a message via SMS stating "MFC STOP" to short code 77177.</p> <p>The complainant was unable to unsubscribe from the Service despite sending in the unsubscription keyword to Mfusion on four separate occasions.</p>
IDA's Determination	<p><u>Section 2.7.2 of the PRS Code</u></p> <p>Section 2.7.2 of the Code of Practice for Provision of Premium Rate Services 2007 (the "PRS Code") states that: "<i>A premium rate service provider who provides a subscription-based premium rate service in which-</i></p> <p>(a) <i>the subscription is automatically renewed at the end of the subscription period unless the end user takes action to unsubscribe from the service; and</i></p> <p>(b) <i>(i) the end user is charged a one-time upfront charge (e.g., subscription or membership fee) and also charged for content or facilities provided under that service during the subscription period;</i></p> <p><u><i>must enable the end-user to issue his instruction to unsubscribe from the service at any time during the subscription period and shall, upon receiving such instruction, immediately cease to provide any further chargeable content or facilities to the end user and ensure that it does not renew the end user's subscription for the service upon expiry of the current subscription.</i></u> [Emphasis</p>

added].

Mfusion explained that its system was programmed, under the telcos' instructions, not to process any request from SingTel Mobile's and StarHub Mobile's pre-paid numbers (whether for subscription or unsubscription). Mfusion further explained that the complainant's mobile number was originally a SingTel pre-paid number which had been ported to M1 post-paid mobile service.

To account for why the complainant had been unable to unsubscribe from Mfusion's Service, Mfusion explained that this was because the subscription and unsubscription SMSes were handled by two separate gateways. Specifically:

- (a) when the complainant subscribed to Mfusion's PRS via WAP, its WAP gateway captured the complainant as a M1 user and allowed the subscription to take place; and
- (b) when the complainant tried to unsubscribe via SMS, Mfusion's SMS gateway treated the complainant's number as a barred SingTel pre-paid number and rejected any such unsubscription SMS request from the complainant. Hence, the complainant's request to unsubscribe was not registered by Mfusion's systems.

IDA rejected Mfusion's claim that the inability of the complainant to unsubscribe from Mfusion's PRS was due to a number portability issue arising from the complainant porting his mobile number from SingTel Mobile (pre-paid) to M1 (post-paid). "Cross porting" (i.e., porting from a pre-paid to a post-paid mobile number across operators) was not technically possible at the relevant time. Based on IDA's verifications with the telcos, the complainant was, at the relevant time of his subscription for the Service, an M1 post-paid subscriber.

IDA nevertheless accepted that the inability of the complainant to unsubscribe from the Service was likely to be an isolated case, due to the fact that Mfusion's WAP and SMS gateways had recognised this particular number differently.

Nonetheless, it did not change the fact that despite Mfusion being required to enable the end user to unsubscribe from the Service at any time during the subscription period in accordance with Section 2.7.2 of the PRS Code, the complainant was unable to do so notwithstanding his multiple attempts to unsubscribe from the Service using the correct unsubscription keyword command.

IDA therefore determined that Mfusion has contravened Section 2.7.2 of the PRS Code.

Section 4.3.1 of the PRS Code

Section 4.3.1 of the PRS Code provides that, *“(t)he relevant licensee must ensure that all information provided to IDA, whether in its written response, related representations or any other submissions, are complete, truthful and accurate.”* During the investigation process, Mfusion had failed to ensure that the information provided to IDA for the purposes of IDA’s investigations was accurate. This was despite IDA extending Mfusion numerous rounds of opportunities to clarify the accuracy of the information provided.

IDA therefore determined that Mfusion has contravened Section 4.3.1 of the PRS Code.

IDA considered the following mitigating factor when determining the appropriate enforcement action to be imposed on Mfusion for this case:

Mitigating Factor:

- (a) Only one complaint had been received with regard to Mfusion’s failure to allow unsubscription, and a full waiver was granted to the complainant.

Taking these factors into consideration, IDA imposed a financial penalty of **\$5,000** on Mfusion for its contravention of Section 2.7.2 of the PRS Code, and **\$5,000** for its contravention of Section 4.3.1 of the PRS Code.