

CONFIDENTIAL

Case Reference	R/E//123
Title	Singtel Mobile Singapore Pte Ltd's (" Singtel ") Contravention of Section 3.2.2, and Section 3.3.2 read with Section 3.3 of the Telecom Competition Code 2012 (" TCC ")
Case Opened	25 January 2016
Case Closed	7 November 2016
Complainant	IDA initiated enforcement proceedings
Respondent	Singtel Mobile Singapore Pte Ltd
Case Summary	<p>IDA received some complaints from end users regarding Singtel's exercise in late 2015 to early 2016, that ceased its legacy mobile service plans and migrated end users to new mobile service plans without providing prior notice to the affected end users (herein referred to as the "Migration Exercise").</p> <p>IDA's investigation showed that Singtel had ceased some of its legacy mobile voice plans and migrated about 100,000 end users to alternative mobile plans without providing prior notice to the affected end users. By not providing prior notice, Singtel also did not comply with its own general terms and conditions¹, which stated that it would give 7 days' notice to its end users before amending, varying or supplementing its agreements with the end users.</p> <p>Singtel explained that the Migration Exercise started in September 2015 and ended on 15 April 2016, covering a total of more than 50 legacy mobile plans. In carrying out the</p>

¹ Singtel's general terms and conditions apply to each and all the services provided by Singtel. Clause 12.1 provides that Singtel is to give 7 days' notice to end users prior to revising and varying the terms.

"12.1 The Service Provider may amend, vary or supplement any Customer Agreement (including the General Terms, Specific Terms, any Fees and Charges, the Billing and Payment Terms, the Prescribed Rate, the Singtel's Data Protection Policy and/or any other terms or conditions relating to any Account or Service) by giving 7 days' notice thereof to the Customer and any such amendment, variation or supplement shall take effect as from the date specified in such notice. Any such notice given by the Service Provider in accordance with Clause 18, by publication in English in any newspaper circulating in Singapore, posting on any Internet website of any Singtel Group Corporation or by otherwise making public such notice in any other such manner deemed appropriate by the Service Provider, shall constitute good and sufficient notice thereof to the Customer by the Service Provider and shall be deemed to have been received by the Customer in accordance with Clause 18 or on the date of such publication, posting or the making public or such notice, as applicable. The Service Provider shall before effecting any such amendment, variation or supplement comply with the provisions of the Telco Code and Media Code relating thereto."

	<p>Migration Exercise, it had taken steps to ensure that the affected end users were no worse off after being migrated to the new mobile service plans, in terms of monthly subscription price, and services offered (bundled SMS, bundled talk time, and bundled data).</p>
<p>IDA's Determination</p>	<p>Section 3.2.2 of the TCC provides as follows: -</p> <p style="padding-left: 40px;">“3.2.2 Duty to Disclose Prices, Terms and Conditions</p> <p style="padding-left: 40px;"><u>Prior to providing any Service to an End User, a Licensee must disclose to that End User the prices, terms and conditions on which the Licensee provides such Service, including a Service provided on a free trial basis. In addition, a Licensee must also publish, in a form available to the public, the prices, terms and conditions of its standard Services. The information must be published in a manner that is readily available, current and easy-to-understand”</u></p> <p>Section 3.3 of the TCC provides as follows: -</p> <p style="padding-left: 40px;">“3.3 Mandatory Contractual Provisions</p> <p style="padding-left: 40px;"><u>Licensees must include the provisions specified in Sub-sections 3.3.1 through 3.3.7 of this Code in their End User Service Agreements. An End User may bring a private legal action against a Licensee to enforce these contractual obligations pursuant to its End User Service Agreement with that Licensee. In addition, IDA will treat a Licensee's wilful, reckless, or repeated failure to fulfil these obligations as a contravention of this Code.”</u></p> <p>Section 3.3.2 of the TCC provides as follows: -</p> <p style="padding-left: 40px;">“3.3.2 Prices, Terms and Conditions on Which Service Will be Provided</p> <p style="padding-left: 40px;">The End User Service Agreement must clearly and comprehensively specify the prices, terms and conditions on which the Licensee will provide its</p>

service. The End User Service Agreement may make reference to any tariffs, price lists, or similar documents that are readily available to the public. The End User Service Agreement must further provide that the End User will not be bound by any price, term and condition that varies from those specified in the End User Service Agreement, unless:

- a) the End User provides prior written approval; or
- b) the End User Service Agreement clearly states that the Licensee may revise the prices, terms and conditions by providing reasonable advance notice to the End User”

Contravention of Section 3.2.2, and Section 3.3.2 read with Section 3.3 of the TCC

The above provisions require a Licensee to disclose the prices, terms and conditions of the service it provides to end users. In this case, Singtel had provided affected end users new service plans that are different from the original service plans they signed up for, and did not disclose to the affected end users the prices, terms and conditions of the new service plans prior to activating the new service plans.

Although Singtel had provided equal or more favourable new service plans to the affected end users under the Migration Exercise, Singtel could still have notified the affected end users in advance before commencing the Migration Exercise so as to better manage end users' expectation.

In addition, Singtel did not abide by its own general terms and conditions of its services, by providing advance notice of seven (7) days to the affected end users, before migrating them to the new service plans. Given the number of affected end users involved in this instance, this could be considered a wilful, reckless, or repeated failure to fulfil Section 3.3.2 of the TCC.

IMDA therefore determined that Singtel had contravened Section 3.2.2 and Section 3.3.2 read with Section 3.3 of the TCC.

	<p>In determining the appropriate enforcement action against Singtel, IMDA considered all the relevant facts and circumstances, including the following:</p> <ul style="list-style-type: none">(a) Singtel had ensured that the affected end users are no worse off in terms of monthly subscription price, bundled SMS, bundled talk time, and bundled data; and(b) The low number of end user complaints received by IMDA and Singtel on the Migration Exercise. <p>Taking all relevant facts and circumstances into consideration, IMDA decided to issue a <u>warning</u> to Singtel for its contravention of Section 3.2.2 and Section 3.3.2 read with Section 3.3 of the TCC.</p>
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