

Currently I subscribe to Starhub's Maxonline Express at At a rate of \$59.92 a month.

Starhub has a promotion which at \$44.94 include includes a free digital voice and a modem woth about \$90. To enjoy the new rate I have to sign up for a 24 month contract. I the contract is broken before the 24 months, the penalty is in excess of \$500. This is way above savings which I will get = $24 * (59.92 - 44.94)$ about \$240.00. To make the penalty amount worth about \$500 Starhub has add about\$90 for the modem and about \$100 a year for the free digital voice. As a current subscriber with digital voice and a modem, the savings to me is only about \$240 over the two years. The penalty is just not worth it.

Assuming this is the worth of the savings for a new subscriber, the way the penalty is applied by Starhub is not equitable. The penalty is levied anytime the contract is broken within the 24 months. Surely the fairer way would be to prorate the penalty as Starhub has benefitted from the subscriber paying for the period upto the day the contract is broken and Starhub has reduced whatever they would have lost for the promotion.

I have also recently subscribed for a new handphone with M1 and am subject to a penalty over 24 months. Likewise the full penalty is payable even if I terminate the contract in the last month of the contract. I think this another instance of an unfair contract.

I hope that IDA as regulator can require provider to make the contract fairer to users by prorating the penalty to the period of shortfall in the contract.

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