

Prior Permissions Notice in respect of Subscription Services

For the attention of all service providers operating services carrying a subscription charge and/or joining fee which costs a consumer more than £4.50 in any seven day period of their operation.

The following Notice DOES NOT apply to services which use the Payfortit payment mechanism. As such service providers who ONLY use the Payfortit payment mechanism in order to charge for the services described in the above paragraph should disregard this Notice.

This Notice is being issued to inform all service providers who provide services carrying a subscription charge and/or joining fee which costs a consumer more than £4.50 in any seven day period of operation that from **4 March 2009** no such services may be provided without PhonepayPlus' prior permission. Service providers are required to apply for a prior permission licence to offer services carrying a subscription charge and/or joining fee which costs a consumer more than £4.50 in any seven day period of operation in respect of each information provider to which they provide an interconnect for such services. Alternatively service providers can require information providers to complete and pay for an application which they must countersign. Such services operating without a licence after **4 March 2009** will be considered to be in breach of the 11th PhonepayPlus Code of Practice.

General Conditions

- All provisions of the PhonepayPlus Code (as far as they are applicable) apply to the service
- PhonepayPlus may impose such further conditions as it may deem necessary upon reasonable notice
- This permissions certificate may be revoked without notice by PhonepayPlus if any condition is breached
- PhonepayPlus may revoke this permission certificate for any other reason after giving reasonable notice
- This permission is granted to the service provider and relates only to it (and for the avoidance of doubt does not relate to any subsidiary or associated company or any other company) and may not be assigned or otherwise transferred in any way
- The service provider will notify PhonepayPlus of the applicable telephone number(s) or access code(s) when the service commences or be responsible for such a notification being sent by the information provider. Once notified, the telephone number(s) or access code(s) of the service may not be changed without the prior written consent of PhonepayPlus. If, for any reason the service fails to commence within six months from

the date of this permission certificate, or, having commenced, does not operate for any continuous period of six months then this permission certificate (in either case) will immediately cease to be valid.

Specific Conditions

- That the nature and content of the services (including price and name) provided are as described in the “Subscription Services” application form, copies of which can be found on the PhonepayPlus website.
- That the names of company directors, partners, and/or managers with directing responsibility for subscription services which cost more than £4.50 in any given week, are provided to PhonepayPlus, and that these names are verified by the service provider.
- That the following additional conditions imposed by the Board are complied with:
 - 1) Promotional material must not use the words FREE or NO CHARGE, or contain wording that implies the same, except to state that the promotional message itself is free. This extends to promotional SMS messages, search engine metatags, and websites within their control which use these words, or other wording which carries the same implication, in their title.
 - 2) No free service may directly link to another product or service which carries a premium rate charge unless the consumer is made aware of that charge, and has consented to it.
 - 3) Once consumers have selected a service by texting a keyword to a shortcode or by selecting a product on a website, they must be immediately provided with a free text message which states the following:

U have joined/subscribed to [name of service and optional description] for [cost of service in £] per [billing frequency] until you send STOP to [originating service shortcode]. Helpline [UK standard rate or free helpline number]. To confirm text AGREE to this message/shortcode xxxxx.

Until consumers have texted AGREE to the shortcode concerned, they should not be charged

However, service and information providers who provide subscription services, whatever the cost per week, who breach the PhonepayPlus Code following the date at which this Notice takes effect may be required to seek prior permission under the above conditions if required to do so as part of a sanction issued by a PhonepayPlus Tribunal.

PhonepayPlus recommends that Service providers submit their applications before **4 March 2009**, or require information providers submit an application which they endorse, in order to expedite our internal administration processes. However, due to the nature of the process by which prior permissions licenses are granted, we cannot guarantee that applications received before that date will be fully processed before 4 March 2009, and service or information providers will wish to submit their applications as soon as possible.

Service Providers are reminded that the granting of a Prior Permissions license by PhonepayPlus to operate any type of subscription service does not serve as an obligation to any Network Operator to provide connection or carriage for such services.