

Product Policy Guidelines

1. OVERVIEW – PREMIUM SMS

Premium SMS Gateway supports third parties offering premium content services to Optus customers. This provides Optus customers with access to third party content that is charged to the Optus mobile account.

Premium SMS enables the variable rating of mobile originating “MO” and mobile terminating “MT” messages. Optus has agreed to offer premium SMS billing capabilities to Premium Partners to encourage the promotion of services that utilise SMS as the payment mechanism.

In return for Optus billing on behalf of the Premium Partners, Optus will retain a share of the billed revenue as outlined in the Optus Commercial Terms document. The third party earns revenue from content delivered to Optus customers.

The purpose of this document is to provide a means of communicating policy and product guidelines impacting the operation of Optus premium SMS services.

This document is intended as a guide only and does not in any way modify the obligations of the Premium Partners under the SMS Gateway Agreement. In the event of any inconsistency, the SMS Gateway Agreement will prevail.

Any reference to Optus customers or end users applies to both Optus retail and participating Service Provider customers (excluding Virgin Mobile).

2. SERVICES

Premium Partners are expected to adhere to the following guidelines and principles when offering Services in the market.

2.1 Permitted Services

In operating any Promotion, the Premium Partners will ensure that they comply with the terms of their SMS Gateway Agreement including:

- (a) Compliance with all applicable laws and regulations (including relevant industry code of conduct) in relation to that Promotion. For avoidance of doubt, but without limitation, this includes compliance with the Interactive Gambling Act 2001 (Cth); the ACIF Code,

the Spam Act 2003 (Cth) the Privacy Act 1998 (Cth) and any service provider rule or other regulation issued under the Telecommunications Act 1997;

- (b) do not send unsolicited SMS message to any end user as outlined in the ACIF SMS code. That is, each Optus End User must “opt-in” to each particular Promotion;
- (c) provide a means to enable end users to “opt-out” at any time from receiving any SMS messages in connection with the Promotion.

2.2 Special Services

Services outlined below need to be identified to the Providers Optus Account Manager prior to setting up the campaign as additional conditions apply.

2.2.1 SMS Chat

The maximum price for each MO and MT message combination (ie. 1:1 ratio) shall not exceed \$5.00 (inc. GST).

Optus will retain a Bad Debt fee of 5% for SMS Chat services as set out in the Optus Commercial Terms document.

Optus will require Premium Partners to adhere to the Threshold Management process as outlined in Section 3.2. Optus requires prior approval of marketing collateral and terms of use prior to the launch of any SMS Chat services.

2.2.2 m-Commerce/m-Payments

Optus will only support m-payment initiatives that fall within the standard pricing and revenue share parameters outlined in the Optus Commercial Terms document.

For example: Optus will not support unacceptable services such as a \$12 goods purchase.

Optus requires prior approval of marketing collateral and terms of use prior to the launch of any m-Commerce or m-Payment service.

2.3 Charging Requirements

To support the accuracy of Premium SMS billing across Optus prepaid and postpaid end users, Premium Partners are expected to adhere to the following guidelines and principles when offering Services in the market.

Product Policy Guidelines

2.3.1 MO Charging

The minimum charge required on any MO, will be \$0.25 (inc GST). Where a Premium Partner has a requirement for an MT only solution, the MO charge will still be required to be charged at \$0.25 (inc GST), even where the MO message is not used.

2.3.2 Premium 19 number set-up fee

Optus will charge a once-off \$100 (ex GST) administration set up fee for the provisioning of each individual 19 service number; and

2.3.3 Monthly access fee

A \$15 (ex GST) monthly access fee for each premium 19 service number provisioned with Optus will be charged to Premium Partners.

2.3.4 Free MT with MO \$0.55 (inc GST) requirements

Optus will provide Premium Partners with a \$0.00 rated MT gateway carriage charge for premium SMS services for MO \$0.55 (inc GST), conditional on the following;

- (a) To be used only for voting, polling, and promotional type services. Where a Premium Partner needs to send a MT reply message, confirming entry into a competition or promotion.
- (b) Not to be used for Chat and subscription type services.

2.4 Excluded Services

At its sole discretion, Optus reserves the right to withdraw services, including those that do not comply with the relevant policies, laws or regulations (including relevant industry codes of conduct).

These services include, but are not limited to gambling and adult services or m-commerce offerings exceeding a \$5.00 (inc. GST) price point.

2.4.1 Charities

Optus does not support the use of Premium SMS as a payment mechanism for charities.

2.4.2 Prepaid MT Charging

Until further advised, Optus does not support the use of Premium SMS as a payment mechanism on Prepaid MT, unless where special arrangements have been made with Optus.

Charges for Prepaid Premium SMS Content and services are to be on the MO message.

Example: Java Game

Prepaid: would be charged at MO \$4.75 with MT \$0.00

Postpaid: would be charged on MO \$0.25 with MT \$4.50

2.4.3 Spam Principles

The Spam Act classifies messages as being commercial communication or factual communication.

A '**Commercial Communication**' is the communication of advertising, marketing or promotional material, which is directed to an individual via an electronic message.

A '**Factual Communication**' is an electronic communication the purpose of which is to notify or inform the individual and not influence the individual in making a purchase decision about a product or service or to inspire a commercial relationship.

Premium Partners must ensure they do not send Unsolicited Commercial Communications to consumers. Factual Communications are not regarded as Commercial Communications. Premium Partners must have received express consent from consumers to receive such communications.

Example:

A customer signs up for a promotional offer where it is clearly stated that it is a condition of the offer that future commercial messages will be sent to them by the promotional provider.

The Premium Partner must be able to demonstrate that steps have been taken to confirm that consent has been given by the consumer.

For paid subscription services where consumers are charged at a latter date for subscription services supplied, the consumer will need to confirm that express consent has been given for the subscription service, prior to supply.

2.4.4 MT subscription Services

Optus requires that for subscriptions services charged using MT billing that the following consumer protection measures be applied:

- provide an unsubscribe function via a return reply SMS Message [at low cost]; includes your Australian based telephone number for customer service inquiries; and
- to keep consumers informed of the details of their subscription service, from their initial subscription request and on the tenth MT SMS Message (or any other frequency as advised by Optus) you have sent that customer. You will provide an additional SMS Message which clearly details:
 - (i) the cost to the Optus Customer for the Content Subscription;
 - (ii) the frequency of each MT SMS Message as part of that subscription;

Product Policy Guidelines

(iii) outlines that the Optus Customer can unsubscribe from receiving further MT SMS Messages via a return reply SMS Message and includes:

(iv) your Australian based telephone number for customer service inquiries.

- **An example message format:** "Ringtone Services, confirms sub Groovy @ \$3pw, opt out by txt stop Groovy to 191333, or call 1800300300"
- You must allow Optus Customers to unsubscribe from receiving MT SMS Messages from you via both:
 - (a) a return reply SMS Message which is not case sensitive and contains the word "stop" followed by the content service name; or
 - (b) an unsubscribe function, via any other electronic medium that is charged at a low cost: and
 - (c) calling your Australian based customer service number.
- If an Optus Customer unsubscribes from receiving MT SMS Messages from you, you must send that customer an SMS Message, at no cost to the customer, confirming that their Content subscription service has been terminated,
- **An example message format confirming opt out:**
"Ringtone Services, confirming opt out to sub Groovy @ \$3pw has been received and will be implemented shortly "

3. OBLIGATION OF PROVIDERS

All promotional templates must be submitted and approved by Optus prior to commencement. All Premium promotion templates to be lodged with Optus are to be sent to the Optus Premium SMS Promotion Dropbox at:

PSMSPromos@optus.com.au

Important Note on Optus Promotion Configuration SLA's¹

- **11 business day SLA:** For Premium Promotions where;
 1. provisioning of a new Premium Service number is required, and or
 2. changing of a promotion price on a previously configured premium service number, is required.

Optus requires the Promotion template 11 business days before the commencement date of the promotion. This allows the promotion to be provisioned by:

- The Optus Mobile network
- Optus Postpaid Billing
- Optus Prepaid Billing
- Optus Service Providers
- Optus Customer Service teams
- Optus Mobile Financial Services

- **5 business day SLA:** For Premium Promotions where

1. provisioning of a new Premium Service number has been done previously, and / or
2. there are no pricing changes on a previously configured premium service number,

Optus requires the Promotion template 5 business days before the commencement date of the promotion. This allows the promotion to be provisioned by:

- Optus Service Providers
- Optus Customer Service teams
- Optus Mobile Financial Services

3.1 Transparency of Pricing – Event & Carriage Charges

The Premium Partner is obliged to clearly notify the user of the total cost for usage of services.

Requesting or receiving carriage costs, such as SMS or GPRS charges, over and above the event based charge, should be clearly communicated.

For example, the end user should understand the cost for the "event" (ie. \$4.99 for a ringtone) as well as the requesting and receiving costs for the SMS MO or the GPRS download of a Java game.

Premium Partners are obliged to clearly include the relevant pricing in all marketing collateral and terms of use.

Example:

"Mobile Service Provider standard SMS costs apply for requesting content" "Standard carrier GPRS costs apply to receive content."

3.2 Threshold Management – SMS Chat

For SMS Chat services retailing above \$1.00 (inc. GST) Optus requires the Premium Partners to limit the amount of content or services end users are able to access within a given 30-day period.

This will apply at a total customer level rather than an individual product level.

Optus requires each Premium Partner to send an SMS notification to users when their gross spend in any given 30-day period reaches \$50. This notification shall take the form of:

"This is a courtesy message to advise that you have reached \$50 in Premium SMS spend with [Content Provider] name."

When a user reaches a total gross spend of \$100 then the Premium Partner must suspend the availability of all premium services and send an SMS notification referring them to Optus Financial Services to increase their monthly threshold limit.

Product Policy Guidelines

“U have reached a max of \$100 in Premium SMS spend with [Content Provider]. To cont using, pls call Optus Credit on 1800503008 during Bus Hrs, or call yr Mobile Provider.”

Optus reserves the right to apply Threshold Management requirements to individual products.

3.3 Threshold Reporting – SMS Chat

Optus requires each Premium Partner to provide a daily email of any users who have reached their \$100 limit. The report format must include number of message sent/received, customer MSISDN, short code used, consumer charge for service and total costs incurred.

This report is required to be emailed to the Premium Partners Optus Account Manager and the following:

Thresholdmanagement@optus.com.au

These reports will assist in bad debt management and the enforcement of call spend responsibilities of consumers.

3.4 Customer Support

Premium Partners are expected to support end users and must provide the full contact details as outlined in the promotion templates.

4. VARIATIONS AND EXCEPTIONS

Optus will continue to review our policy position and amend this document as commercial, technical and other market conditions require.

For further information, contact your Account Manager or go to the Optus Premium Partners web site:

1. Go to URL <http://www.optus.com.au/premiumpartners>
2. Click on the “Contact Us” box that will generate an e-mail to;

OptusPremiumPartners@optus.com.au

Any variances to this document or other special requests need to be notified and approved by your Optus Account Manager.

5. GUIDELINES FOR EXCLUDING ADULT SERVICES

While the industry, carriers and regulators work towards defining the framework for the controlled distribution of Adult content; Optus is requiring its Premium Partners to exclude some Adult services accessed via Premium SMS.

Until there is clarity about the long term regulation of this content and while there is no Restricted Access System (RAS) in place, Optus Mobile wishes to restrict the content of its Premium Partners that it carries, to material equivalent to the M classification under the Office of Film and Literature Classification’s (OFLC) guidelines.

5.1 Optus Viewpoint

Optus has for some years maintained a consistent view as to what it considers acceptable Non-Adult content.

Until a final determination is issued about the 195x or 196x Premium SMS restricted number ranges and the related RAS requirements, Optus will continue to enforce the following guidelines for the use of Premium SMS 195x or 196x numbers.

Optus deems the following to be unacceptable:

- Nudity, whether justified by context or not.
- Images of models who appear to be underage.
- Implied acts of sexual simulation or suggestive positions of any nature.
- Chat services that include any sexual references, either implicitly or by context.
- Advertisements for non-Adult Services that are advertised next to or with Adult Content, or which mislead customers into believing that the service is an Adult Content service when it is not.

In the event that clarification on these issues is required please contact your Optus Mobile Partners – Account Manager in the first instance.

SingTel Optus Pty Limited ABN 90 052 833 208 trading as Optus communications 101 Miller Street North Sydney 2060. Optus, the Optus logo and ‘yes’ are trademarks of SingTel Optus Pty Limited. Optus Communications services are provided by Optus Networks Pty Ltd ABN 92 008 570 330 and Optus Mobile Pty Ltd ABN 650 054 365 969.

OPTUS
Premium **SMS**

Just say the word **‘yes’**
OPTUS