

(Provisional: Only the Finnish version is to be used in official matters)

BASIC SET OF NORMS FOR PROVIDING PREMIUM ELECTRONIC SERVICES

Finnish Self Regulatory Committee for Premium Rate Services

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Introduction

The Ethical Committee for Premium Rate Services, which supervises service production in premium electronic service, was established year 1998.

The Ethical Committee for Premium Rate Services is a body of trust, which authority is based on self regulation and voluntarism. The committee, in addition to the chairman, consists of members, who represent ethical, market-oriented and legal expertise as well as network operators, service providers and the Teleforum Association. The committee is assisted by the ombudsman for premium electronic services.

The Ethical Committee for Premium Rate Services and the ombudsman together form a self-regulatory organisation for premium rate services which is meant to assist the providers of these services, consumers, network operators, authorities and media in matters concerning premium rate services. The actions of the Committee are based on the basic set of norms for providing premium rate electronic services, legislation in force and regulations from authorities.

The task of the Ethical Committee for Premium Rate Services is to create and maintain good and ethically acceptable conduct in the provision of premium rate electronic services among those operating in the field.

The Ethical Committee for Premium Rate Services is established to respond to the problems of consumers arising from using new electronic services made possible by the new technologies. The basic set of norms for providing premium rate services has been available since 1995. This is the 5th edition. The basic set of norms for providing premium electronic services defines the boundaries where the service provider operates when producing premium services.

The objective of the basic set of norms for providing premium rate services by phone is to get activities connected with the services offered by providers to adhere to a code of good conduct. In particular, these are matters connected with marketing, numbering, price information and service classification.

Complying with the basic set of norms and the decisions of MAPEL the service provider can be certain that the services are acceptable and of good quality.

Definitions

Premium rate phone services mean services which are assigned service numbers and short codes which services are offered in prefixes which are based on technical regulations from Ficora.

Premium rate phone service Value added Maksullinen puhelinpalvelu voi olla myös palvelu, joka toimii normaalissa tilaajanumerossa ja palvelu laskutetaan puhelinlaskussa erillään.

Value added SMS service is a service, where producing of service is done via a short code granted by Ficora and the service is billed by operator. Short codes are numbered into service groups according to the technical regulations from Ficora.

Value added WAP-service is a service, where service is produced via operators WAP-access point and is billed via WAP-billing.

Operator is an entity, which maintains a electronic network and/or takes care of billing of the usage of such network.

Billing service agreement is an agreement between service provider and operator, where the roles between both parts are agreed when producing and billing value added services with premium rate phone calls, SMS or WAP-billing.

Service provider is a company or an entity, which is a part in billing service agreement with an operator. In the norms service provider and service producer are seem as same.

Subscription service is a service based on SMS-, WAP- or MMS, where a customer subscribes to a service with a mobile phone from a service provider. The service provider charges subscriber based on a subscription period or the amount of messages and it continues until subscriber ends the service.

Ethical Committee for Premium Rate Services

Composition of the Committee

1§ Members of the Committee

The members of the committee are chosen by the board of the Teleforum Association. The election is held after the annual general meeting of the Teleforum Association April the 15th. The term of office begins after the committee has been elected by the board and ends when the next committee has been elected or when a replacement member has been elected by the board of Teleforum Association.

2§ Chairman and deputy-chairman

The board of the Teleforum Association elects the chairman of the committee. The deputy-chairman of the committee is elected by the committee. The chairman of the board of the Teleforum Association cannot function as the chairman or deputy-chairman of the committee.

3§ Ombudsman for premium rate services

The ombudsman for premium rate services is elected and appointed by the board of the Teleforum society in co-operation with the Committee.

Case Proceedings

4§ Initiating proceedings

Anybody can bring a case before the committee, either by reporting it to the committee or to the ombudsman.

5§ Preparations of the case and collecting statement

Prime procedure is informal proceedings independently initiated by the ombudsman. The goal of the proceedings is to resolve the case via negotiations between the interested parties.

If a pending case cannot be resolved through negotiations, the ombudsman will prepare the case and bring it before the committee for hearing.

The case can be taken into a hearing despite the results from informal proceedings, if the case has value of judicial precedent or other wide recognition or if the ombudsman sees appropriate to send the case to the hearing of the committee.

Before the hearing in the committee meeting all interested parties shall have a possibility within reasonable time to express their statements in writing. If one gives up the right to give her opinion, it does not prevent the hearing from proceeding.

The ombudsman acquires all possible expert opinions and all other statements needed to resolve the case.

6§ Hearing in the committee meeting

When the preparations are adjourned, the ombudsman introduces the case to the committee without delays. If there are no special reasons the decision must be given in the first meeting of the committee after the preparations are adjourned.

If, during the proceedings, the Committee needs more information, the case can be postponed to the next meeting of the Committee or until the information needed is received.

If the nature of the pending case is such that it requires a fast decision from the committee, a committee meeting must be called at three days notice.

If the case being dealt with by the committee is also the subject of a lawsuit, or if other authorities are also investigating the matter, the committee may suspend proceedings.)

7§ Difference of opinion

If the committee cannot reach an unanimous agreement on the case under consideration, the decision should be made by an open vote. When the votes fall equally, the chairman's vote is decisive. The vote and its result must be recorded in the minutes.

8§ Disqualification

If a member of the committee, the chairman or the vice-chairman is a party in the case concerned or bears some close relationship to it, or if there is any other reason why his/her impartiality might be in doubt, the member concerned must bring this to the attention of the committee.

Disqualification of a member from participating in the handling of a case is decided in the committee meeting.

9§ Quorum

The committee is quorate when the chairman or deputy-chairman and at least two of the members are present. The committee is called by the chairman, deputy-chairman or the ombudsman.

10§ Publicity of the hearing and decisions

Facts and statements of the case which come to the knowledge of the ombudsman or the committee are not public. Ombudsman and the committee can publish pending cases according to their consideration. Meetings of the committee are not public unless the committee decides otherwise.

The decisions of the committee are public. The committee can limit the publicity of the decision. Especially the committee must consider the interests of the parties who are consumers and the protection of privacy when considering if the publicity of the decision or part of shall be limited.

11§ Retrial of a case

The decisions and resolutions made by the committee are final, and it is not possible to appeal against them.

If the decision/resolution of the committee is based on false information or misunderstanding, the committee may decide to call a retrial on its own decision or upon request of either party and give possibly a new decision.

12§ Minutes

Minutes must be kept of the meetings of the committee. The minutes must be signed by the chairman and secretary.

Consequences

13§ Correction, prohibition and compensation

The committee can require the service provider to correct the breach of the code immediately or in certain time.

The committee can determine that it is prohibited to the service provider to go on providing any or a particular service in Finland. The prohibition can be determined conditionally depending on the service providers' efforts to correct the breach.

The committee can require the service provider to refund or compensate the loss related to the breach to the customer.

Execution

14§ Publication and the executive role of the operators

The service provider will be informed of the decision. Decisions can be also published in the width that is considered reasonable by the committee.

If the decision includes a prohibition to provide any or a particular service in Finland, the relevant operator(s) has the right to block the service(s) from the network and to stop the billing.

Providing value added services

General rules

15§ Commitment to the Self-Regulation

The Service Provider commits to follow this Basic Set of Norms and to pay a Self-Regulation fee decided by the Teleforum Association when needed. The fee is used to finance the Self-Regulation.

16§ Content of service

The services and marketing of them should not be contrary to the law and should not encourage unlawful actions.

The service provider is responsible for the content of the services and the liabilities and obligations connected with them, as well as for their technical quality. The services must be user-friendly and well-defined and the bill from the services should not be made unnecessarily higher.

The service provider is responsible for ensuring that the offered service matches the right service group. In Premium SMS Services the service provider applies for a number from the Finnish Regulatory Authority in a matching service group. In Premium rate numbers the number is taken in to use with a contract between the service provider and the operator. In the agreement the operator and the service provider confirm together into which service group the service belongs.

17§ Giving information and removing service from net

The network operator can with a reference to a decision from the Committee to remove from the network a service which go against these norms or move the service in to another service group, if the service provider does not correct the faults concerned within a certain time. In cases where the service breaks the law or displays illegal characteristics, it can be removed without delay.

Company information regarding the service provider must be given to a third party upon request. The network operator with whom the service provider has an agreement can provide the authorities, the Finnish Self-regulatory Committee (MAPEL) and consumers with contact information on the service provider if requested..

Marketing of services

18§ Content of advertising

All advertising must follow good taste and follow general moral comprehension of the society.

Advertising must not give to the consumer the impression that he/she will get a greater amount or variety of information than is really provided by the service concerned.

Advertising of the service must not be Palveluiden mainonta ei saa olla sukupuolta loukkaavaa.

19§ Protecting the Minors

It is forbidden in advertising to exploit the credulity or inexperience of children and young people, nor may advertising put their obedience to the test. Advertising which is directed towards children and young people, or which may influence them, must not contain anything, either textual or pictorial, which could possibly cause mental, moral or physical harm.

20§ Price announcement

Price of the service including taxes must be presented in all advertising clearly, closely located by the service number and it must be easily readable. If the service has a minimum price, it must be stated.

The price must be clearly understandable from the advertisement. The marking must be big enough, so it can be read without a possibility to be mistaken.

21§ Advertising a premium number

The first four digits of advertised service numbers must be written together and be separated by a space from the other digits in the number. For example. 0200 1234567 or 0200-1234567.

22§ Information regarding the service provider

The advertisement must always show the name of the service provider and the necessary contact information. Name of the service provider is the name of the company which registered in the trade register or otherwise registered trade name. Abbreviations are not allowed. The service provider must inform the Committee all the names which are to be used in advertising.

The address must be so complete that it makes distribution of post possible without guessing or special knowledge. The address must include postal code and address. Postal address can be unambiguous and generally known abbreviation.

Contact information for customer service of the service provider must be included in all advertisement.

23§ Services billed separately from operators bill

If the service is billed separately from the telecommunication bill, this must be announced at the beginning of the service.

Classification of services

24§ Classification of the services

Value added services will be classified into service groups, which are regulated in Ficora's technical regulations, based on the content of the service. The classification of the services is based on the actual content of the service. Service groups are as follows:

Services for the public good

Services for the public good often complement other services or operations offered by the service provider.

- I. Services meant for companies and business enterprises
- II. Timetables and information
- III. Advice and ordering services at inexpensive rates, e.g. Ordering a taxi and electronic banking

Advice and ordering services

Services, which can be used for acquiring information, products or services over the phone without having to go anywhere or use some other form of communication.

- II.1. Ordering services
- II.2. Personal expert services
- II.3. Marketing campaigns
- II.4. Information services
- II.5. Sale of advertising space
- II.6. Market surveys and Gallup poll
- II.7 Charity

Entertainment services

Services intended for recreational use and services linked to entertainment and fund-raising campaigns.

- III.1. Chatlines (those which cannot be classified in regard to their contents as erotic contact services)
- III.2. Entertainment-oriented expert services
- III.3. Competitions and other games
- III.4. Marketing campaigns
- III.5. Voting
- III..6 Other entertainment services

Adult-entertainment

IV.1 Adult-entertainment services

25§ Expert and consulting services

Consulting and expert services directed towards companies, but with content which is also clearly of use to private persons, belong to group II.2; services directed to companies only belong to group I.1

Expert services in which the expertise concerned is unproven or not generally acknowledged, belong to group III.2. However, expert services of this kind which are related to sex belong to group IV.2.

The above-mentioned requirement on expertise also covers so-called crisis and help lines.

Gaming tips given by an expert belong to group III.2.

Weather forecasts given by a meteorologist belong to group II.4. Other prediction services are placed in the entertainment groups.

26§ Information and public relations

Press releases from companies and public corporations and inexpensive services provided by the authorities are classified as general services. The commercial sale of information belongs in group II.

Also, the sale of information relating to entertainment or recreation (sport, for example) is classified as an advice and ordering service, and is placed in group II.4, when its purpose is to provide factual information and not tips, predictions or simply amusement.

27§ Ordering services and paying of goods

Ordering services belong mainly to the advice and ordering services group with the following exceptions:

Ordering services for adult-entertainment are classified as group IV.

Ordering service-type marketing campaigns which can be considered as being aimed at children too are placed in the entertainment group (III.4.).

28§ Sale of advertising space

The sale of space for personal advertising and announcements, such as in personal and dating columns, for example, does not belong to the advice and ordering group but is placed in the entertainment and adult-entertainment groups, depending on the nature of the marketing of that particular service.

The concept of advertising space also includes electronic media, e.g. phone dating and contact services.

29§ Market surveys and Gallup polls

Gallup polls organised by authorities, public corporations and market research companies belong to the advice and consulting services group (II.6).

Mass voting, independent of the character of the Gallup poll, is classified as entertainment (III.5).

30§ Chat services

It is forbidden to use any professional speakers on lines classified as belonging to the entertainment group, since communication must be solely between the users of the service. The services in this group must not have any erotic content neither may they be advertised as having such.

Chatlines other than those fulfilling the conditions mentioned above belong to the adult-entertainment group.

31§ Spiritual services

Spiritual services, except for ordering services, are placed in the entertainment group.

32§ Opinion regarding classifying services into service groups

The service provider has the right to ask for an opinion from the committee about into which service group a service must be located. The committee must give the opinion urgently.

An opinion can also be asked from the ombudsman. The Committee is bound to the opinion taken into account material presented to the committee. The committee is not bound to the opinion of the ombudsman. Lautakunta ei ole sidottu puhelinpalveluasiamiehen lausuntoon. Lautakunnan lausunnosta ei ole valitusoikeutta.

Pricing, billing and maximum duration

33§ Pricing and invoicing

Pricing can be done freely and is defined by the service provider.

34§ Price information at the beginning of the service

Services billed based on time

When the service costs at least 2 euros per minute in service groups I and II and when the service costs at least 1 euro per minute, a separate price announcement must be given in the beginning of the service. The price announcement can only cost normal tariff when technically possible.

If the price of the service rises by more than 50 % within 6 months time, the price announcement must be given for 3 months time from the date when the price was rised. This regulation is in force in all service groups.

Event based tariffs in call services

In all service groups a separate price announcement must be given when the price of the service is minimum 2 euros.

Premium rate SMS-services

In all service groups when the price of the service is at least 5 euros a separate price announcement must be given to the user. Price announcement in premium SMS-services can be given with following ways:

- by asking for a special confirm message from the user (so called double opt-in)
- by including the price of the service into ordering message (for example. TICKET 5 E)
- by sending a receipt immediatly after the ordering message. The receipt must include: name of the service provider, name of the service and price.

Premium rate WAP-services

In all service groups, when ordering a billed service, the price must be shown in close vicinity of the link which causes the billing ticket. The price announcement must be shown on the same screen, where the payment occurs.

35§ Changing the tariff

If the tariff changes during a service, the consumer must be separately informed of the new price.

36§ Services for the public good(Group I)

The service price per call should be reasonable from the point of view of the consumer, otherwise the service is classified as belonging to the advice and ordering services group.

37§ Billing the services

If the invoicing is done in some other way than by telecommunication billing, the price and the method of billing must be announced right at the beginning of the service.

38§ Duration of the service in premium rate call services

The longest allowed call duration in the service groups III and IV is 30 minutes, unless the service is continued by an active proceeding by the user.

Special rules

39§ Diallers

Dialler services use premium rate numbers to connect to the Internet.

Service provider must make sure that the user knows the price of the service and other matters regarding the service.

The dialler cannot connect to the net without active proceedings by the user. The dialler cannot form itself as a primary internet connection.

Price announcement cannot be located in the terms and conditions..

The service must be a walled garden. General internet cannot be used with a dialer.

40§ Adult entertainment services

When the service is located into Adult entertainment service group (IV) and the service includes interaction between the user and service, the service provider must educate workers to observe users who are minors. In these situations the service must be ended immediately.

41§ Subscription services (Entertainment)

Marketing

Service Provider must include following into all marketing material:

Clearly state that the service is a subscription. The information must be eye-catching and clearly noticeable or audible to the consumer

- I. Make absolutely certain that the terms and conditions(ex. Price information, how to stop the service) are clearly noticeable and audible
- II. Advertise the general command which ends the service ie. the STOP-command or the special command, which must include word STOP
- III. Services must also otherwise be marketed in a way which in compliance with the Finnish legislation

Ordering of the service

The Subscriber orders the service with a SMS-message, in the Internet or in WAP.

The Service Provider sends to the subscriber free message where following information is provided,

1. name of the service,
2. confirmation that the service is a subscription service,
3. length of the subscription period (for example. per day, week or month) or if there is no subscription period, information about how often messages will be sent,

4. price of the service (The price must be stated per month including normal use of service) and that the service will be charged on the operators bill,
5. how to stop the service,
6. contact information of the service provider(email and telephone number)

Chargeable service can begin

Information during the subscription

The Service Provider must send to the subscriber free reminder message 24 hours prior to the new subscription period, which gives following information:

1. Name of the Service
2. How to stop the service

When a new subscription period begins the information from paragraph 3 must be sent to the subscriber.

The price of the service cannot change during subscription period. If the price of the service rises between subscription periods, the service provider must inform all customers about the price change. The subscriber must confirm separately the change of price. Information and possibility to stop the service must be provided to the subscriber.

The SMS short code of the service must be visible in all the messages or in the sender field sent to the subscriber.

When sending messages to the service provider, the service provider must use the same SMS-short code from which the subscription was made.

If there are several subscriptions on simultaneously, all information in this paragraph must be sent separately.

Ending the service

1. The Subscriber can always end the subscription period by sending STOP to the SMS-short code
2. It must be possible to end the subscription by sending STOP to the same SMS short code from where the subscription was made and from where the messages come to the subscriber.
3. When the subscriber has sent the STOP-message, service provide is not allowed to send more billable messages to the subscriber. When marketing new services the service provider must take in to consideration the special rules regarding electronic direct marketing.
4. If a subscription service is provided in a shared SMS-short code it can be stopped with a special stop command. The general STOP-command must always work.