

Subscription Services

Notice of Special Conditions

This notice is being issued to inform all providers involved or intending to be involved in the provision of subscription premium rate services that Special conditions apply. Level 2 providers are required to comply with [the Phone-paid Services Authority Code of Practice](#), and the Special conditions set out below which are imposed under paragraph 3.11 of the Code.

Under paragraph 3.11.3 of the Code 'any reference to compliance with the rules or obligations under this Code shall include compliance with obligations imposed under Special conditions. A breach of any special condition in respect of a high-risk service imposed under paragraph 3.11.1 shall be a breach of the Code'.

Subscription premium rate services are defined under 5.3.37 of the Code of Practice as 'services which incur a recurring premium rate charge'¹.

For the avoidance of doubt, providers of online adult services, online competition services and society lottery services (whether offered on a one-off or subscription basis) and recurring donation services are exempt from this Notice, and should refer respectively to the following Notices which set out the Special conditions with which they are required to comply:

- Special conditions for Online Adult Services
- Special conditions for Online Competition Services
- Special conditions for Society Lottery Services
- Special conditions for Recurring Donations.

All other premium rate subscription services are required to comply with the Special conditions set out in this notice.

Special conditions

Imposed under Annex 2, paragraph 1.1(k) information that is required to be given to callers in promotional material or at various stages before and during provision of a high-risk service (including as to receipts):

¹ Recurring charges for a subscription may be fixed amounts charged at fixed intervals (e.g. £4.50 per week) or amounts charged at irregular intervals (e.g. charges for a subscription that are triggered by specific events – alert services being a typical example).

Promotional material

- SS1** PRS providers must ensure it is made unambiguously clear to the consumer what the service is and who is providing it. This may include providing the consumer with the name of the service as registered with the PSA.
- SS2** Payment options, where relevant, should clearly indicate that selecting payment through the phone account will place charges on the user's phone account (mobile or otherwise).

Imposed under Annex 2, paragraph (n) requirements for caller agreement before a high-risk service proceeds before the caller is charged and paragraph 1.1(b) requirements as to the mechanisms and processes used to deliver services to, and to enable exit from services by, consumers:

Point of purchase

- SS3** The point of purchase must be separated from service promotion and interaction, in a clear and effective way, to allow the consumer to consider their purchase. PRS providers must ensure it is made unambiguously clear to the consumer as to when they are viewing promotional material and when they have entered a purchasing environment.
- SS4** At the point of purchase, PRS providers must ensure that:
- (a) the point of purchase is clearly signposted by it being made distinctive from other aspects of the service (such as by design and colour scheme) and take all reasonable steps to ensure that distinction is made clear, avoiding any confusion between service promotion and the point of purchase
 - (b) the consumer explicitly acknowledges that the purchase implies an obligation to pay
 - (c) the consumer is made aware, in a clear and prominent manner and directly before the consumer commits to a purchase, of the cost of the service, and the frequency of charges
 - (d) it is clear that the PRS subscription will be added to the consumer's phone account.

Consent to charge

- SS5** Prior to delivering the initial charge of a subscription service, providers are required to ensure that the consumer provides 'double opt-in' consent to charge. To fulfil this requirement, the provider must ensure that the consumer provides two positive, recorded and auditable responses, following clear presentation of the costs and name of the premium rate subscription to the consumer.

PRS providers must ensure that the first consumer consent to the recurring charge is established via one of the following means of consumer interaction:

- (a) use of a password-controlled account, the password being selected and controlled by the consumer². The account information areas must not auto-populate or self-generate and must require the consumer to enter at least two details such as:
- i. their verified email address; and/or
 - ii. a username that they have selected and control; and/or
 - iii. their name.
- (b) use of a secure PIN loop system, which must be initiated and confirmed by the Level 1 provider³ through interaction with the consumer. The secure PIN must:
- i. comprise no less than four truly random integers
 - ii. be entered by the consumer and must not auto-populate or self-generate
 - iii. expire if after three attempts the consumer has not entered the PIN correctly
 - iv. expire within fifteen minutes of the PIN being received to the consumer's handset.
- (c) use of a secure on-screen PIN which must be initiated and controlled by the Level 1 provider or Network operator. The secure on-screen PIN must:
- i. not be displayed in a form that is easily readable by a client machine, (for example it should be presented as an image rather than in HTML text)
 - ii. comprise no less than four truly random integers
 - iii. be entered by the consumer (and must not auto populate or self-generate)
 - iv. expire if after three attempts the consumer has not entered the PIN correctly

² For clarity, SS5(a) will be fulfilled where;

- there is use of a password-controlled app store account that the consumer has created
- an existing third party verified account, via an eID authentication protocol (such as Facebook Connect), is used within a purchasing environment. The webpage enabling use of the verified account must be hosted by the Level 1 provider or Network operator.

³ This function may be undertaken by an independent third party on behalf of the Level 1 provider. Where a Network operator contracts directly with a Level 2 provider (i.e. there is no Level 1 provider involved in the provision of the service), the function may be undertaken by the Network operator.

v. expire within fifteen minutes of the PIN being displayed to the consumer.

(d) use of a secure, consumer-controlled, mobile originating short message service (MO SMS) system for consumers to notify the Mobile Network operator and Level 1 provider(s) of consent to be charged.

SS6 PRS providers must ensure that the second consumer consent to the recurring charge is established via one of the following means of consumer interaction:

(a) use of a confirmation button to confirm the purchase

(b) use of biometric technology, such as fingerprint or facial recognition

(c) use of a secure, consumer-controlled, mobile originating short message service (MO SMS) system for consumers to notify the Mobile Network operator and Level 1 provider(s) of confirmation of consent to be charged.

Imposed under Annex 2, paragraph (k) information that is required to be given to callers in promotional material or at various stages before and during provision of a high-risk service (including as to receipts):

Receipts

SS7 Following the PRS provider obtaining 'double opt-in' consent to charge from the consumer (SS5 and SS6) the PRS provider must ensure that the consumer is sent a confirmation message or receipt, at no additional cost to the consumer, which sets out:

(a) the name of the service

(b) confirmation that the service is a subscription

(c) the charge and frequency of charging

(d) where there is no defined charging period, the basis on which the frequency of interaction and charging for the subscription is established

(e) the contact details of the Level 2 provider

(f) instructions on how to exit the service.

SS8 For the first 90 days from the date the consumer is subscribed to the service a receipt must be sent to the consumer promptly after every charge, in either SMS or email format. The receipt must set out:

(a) the name of the service

(b) confirmation that the service is a subscription

(c) the charge and frequency of charging

- (d) where there is no defined charging period, the basis on which the frequency of interaction and charging for the subscription is established
- (e) the contact details of the Level 2 provider
- (f) instructions on how to exit the service.

SS9 Once the consumer has been subscribed to the service for 90 days, the consumer may be provided with the ability to select the frequency with which they receive receipts with the minimum requirement being one receipt every three months. The ability to select the frequency of receipting must be wholly controlled by the consumer. Receipts must be sent to the consumer at the frequency set by the consumer. Where no frequency is set, receipts must be sent promptly after each purchase.

Imposed under Annex 2, paragraph 1.1(b) requirements as to the mechanisms and processes used to deliver services to, and to enable exit from services by, consumers:

Method of exit

SS10 PRS providers must ensure that effective opt-out processes are established for subscription services.