

NOTIFICATION OF PERMISSION GRANTED UNDER PARAGRAPH 3.10.4(a) OF THE PHONEPAYPLUS CODE OF PRACTICE, AND EXTENSION OF A SIX MONTH PILOT ENABLING APP STORES TO APPLY FOR PERMISSION TO PROVIDE AN EMAIL COMPLAINT HANDLING FACILITY IN PLACE OF THE NON-PRS UK-BASED TELEPHONE NUMBER REQUIRED BY RULE 2.6.2 OF THE CODE

This Notification should be read by all app stores who provide, or wish to provide, a premium rate payment facility, and who also wish to provide an alternative to a UK-based telephone contact number for consumer enquiries and complaints.

Background

Paragraph 3.10.4(a) of the PhonepayPlus Code of Practice (12th edition) ("the Code") allows registered providers to apply for written prior permission from PhonepayPlus (which may be given subject to conditions) for their service to be provided by means other than strict adherence to the Code provisions. Such permission can be withdrawn or varied by PhonepayPlus subject to the giving of reasonable notice.

An application was submitted to dis-apply the requirement under Rule 2.6.2 of the Code to provide a non-premium rate UK telephone number for the purposes of complaint handling. Rule 2.6.2 of the Code states that;

'Level 2 providers must provide a proportionate complaints process which is easily accessible through a non premium rate UK telephone number and must be effectively publicised.'

The applicant, Microsoft, proposed that instead of a telephone based facility for consumer complaints and enquiries they would instead offer an instant messenger-based complaints handling facility. All those signed up to the Microsoft Windows Phone app store (which would be required before purchasing using premium rate charging) must provide an email address in order to register.

Explanation of the service flow

The applicant was able to demonstrate to the satisfaction of the PhonepayPlus Board that sufficient controls exist to ensure that consumers will still be able to have complaints resolved quickly and easily despite the absence of a UK-based non premium rate telephone number, for the reasons set out below:

- The consumer is required to provide their email address (and not MSISDN number) to sign-up to the app store. An individual cannot register, and subsequently make purchases from the app store, without having provided an email address.
- Following a purchase from Microsoft Windows Phone app store an email receipt is generated, detailing the purchase with contacts for post-sale complaints and/or enquiries. The same information will also be sent by the Mobile Network operator via text message.
- In instances where the consumer wishes to make a complaint two separate methods of redress exist: Firstly, by contacting the Windows Phone directly via the 24/7 IM chat facility provided or, secondly, by contacting their mobile network.
- All refunds to consumers can be processed and re-credited to the consumer's account directly through their UK mobile network.

Based on the description provided and the assurances given, the applicant was granted permission to use an instant messenger-based complaints handling facility instead of a non-premium rate UK-based telephone number for the handling of complaints, as required under

rule 2.6.2 of the Code. However, this permission was granted on an initial six month pilot basis and subject to compliance with the following conditions:

- Consumers should not be able to make any PRS purchases from the app store without first providing an email address as part of registration of an account.
- Purchase receipts containing the email address for consumer complaints must be sent promptly by both app store and relevant mobile network (when operationally practicable) following each purchase.
- The pilot is to be conducted as a six month trial from commencement of the service.

The PhonepayPlus Board has decided to extend its offer for other app stores that can meet the above criteria and (if already in the PRS market) have a good compliance record with our Code, to participate in a six-month pilot. All app stores and contracted Level 1 providers/Network operators should note that participation in the pilot is not automatic. App stores (or a contracted Level 1 provider/network operator applying on an app store's behalf) will need to apply to PhonepayPlus in order to participate. All applications will be considered by the Board on a case-by-case basis and permission will only be granted on a six month pilot basis, and subject to the conditions above. As such, all policy considerations remain with the PhonepayPlus Board.

Finally in accordance with paragraph 3.10.5 of the Code, a record of all providers granted permission as part of this initial six month pilot will be placed on PhonepayPlus' website