



**L E S O T H O
C O M M U N I C A T I O N S
A U T H O R I T Y**

Conditions for Provision of Premium Rate Services

2009-10-08

Lesotho Communications Authority,
6th Floor Moposo House,
Kingsway Street,
P.O. Box 15896,
Maseru 100,
Lesotho.
Telephone: +266 2222 4300
Fax: +266 22310984
E-mail: admin@lca.org.ls
Website: www.lca.org.ls

Conditions of Service for Provision of Premium Rate Services

1. SCOPE

These conditions apply to all premium rate services provided by premium rate service providers and carried by Lesotho network operators.

1.1 These Conditions aim to:

- (a) specify the obligations of the premium rate service providers in their promotion and provision of premium rate services;
- (b) Specify the obligations of the network operators in their provision of network facilities to premium rate service providers; and

1.2 These Conditions do not absolve Premium rate service providers from their major responsibility to ensure that their conduct, content of their services and advertisements comply with all applicable laws of the Kingdom of Lesotho.

2. OBLIGATIONS OF PREMIUM RATE SERVICE PROVIDERS

2.1 Numbering authorisation

- 2.1.1 Numbering for premium rate services shall be at level 3 and be five digit short-codes and as prescribed from time to time by the Authority.
- 2.1.2 A premium rate service provider shall obtain numbering authorisation from the Authority prior to providing a premium rate service.
- 2.1.3 The network operator shall not provide network services to a premium rate service provider who has not complied with 2.1.2 above.

2.2 Trader's licence

A premium rate service provider shall obtain a licence from the Ministry of Trade and Industry prior to the numbering authorisation from the Authority.

2.3 Commencement of operations

An applicant for premium rate services shall commence operations within a period of six months of allocation of numbering resources failing which the

Authority shall have the numbers recalled from the applicant.

2.4 Disclosure of prices, terms and conditions

Prior to providing a premium rate service to any person, a premium rate service provider must disclose to that person the prices, terms and conditions on which the service is provided, in a manner that is clear, and unequivocal.

2.5 Advertisements

A premium rate service provider shall present advertisements accurately, without ambiguity, exaggeration or omission and in a manner which shall not mislead the public.

Advertisements shall contain information which includes but not limited to:

- (i) The description of the premium rate service offered;
- (ii) The name of the premium rate service provider as registered with the Authority;
- (iii) The customer service hotline operated by the premium rate service provider;
- (iv) Step-by-step instructions on how customers can subscribe and unsubscribe from the service;
- (v) Compatible and correctly configured handsets for MMS and other services that require specific handset requirements.

2.6 Unsolicited free services

2.6.1 Premium rate service provider shall not provide unsolicited free service that requires a person to take action to unsubscribe from the service, failing which he is automatically subscribed.

2.6.2 Premium rate service customer shall be considered as having been provided with an unsolicited free service if he did not specifically take action to request for that service prior to it being provided to him.

2.6.3 Premium rate service provider shall not charge any person for any service that he did not specifically take action to request, purchase or subscribe to.

2.6.4 Premium rate service provider shall not engage in any practice or scheme that is likely to increase the chances of consumers inadvertently or unknowingly purchasing or subscribing for a service which they did not intend to purchase or subscribe to.

2.7 Services which can be purchased or subscribed via electronic messaging

- 2.7.1 A premium rate service provider who enables its premium rate service to be purchased or subscribed for via electronic messaging must :–
- (a) designate a specific purchase or subscription keyword command for that service; and
 - (b) not accept any purchase or subscription for that service by any person unless it receives a message from that person containing the designated purchase or subscription keyword command.
- 2.7.2 A purchase or subscription keyword command shall :–
- (a) not be misleading in any way; and
 - (b) not contain any word which conveys the impression that the command is intended for un-subscription from services such as “stop”, “quit”, “cease” or “cancel”.
- 2.7.3 Where a premium rate service provider provides more than one premium rate service, it must designate a different purchase or subscription keyword command for each premium rate service.
- 2.7.4 A premium rate service provider shall not provide services or promotional material that:
- (a) contains a visual presentation of explicit violent sexual conduct, bestiality, incest or rape or violence which constitutes incitement to cause harm;
 - (b) results in invasion of privacy
 - (c) induces unreasonable sense of fear or anxiety
 - (d) encourages or incites any person to engage in dangerous practices or to use harmful substances
 - (e) promotes racial, sexual, religious or any form of discrimination
 - (f) causes offence

2.8 Confirmation and reminder messages for subscription-based services

- 2.8.1 A premium rate service provider who provides a subscription-based premium rate service which is automatically renewed shall, upon receipt of a customer’s request to subscribe for such premium rate service, send a confirmation message to the customer via the same medium by which the customer subscribed for the service. The confirmation message shall contain the following information:–
- (i) acknowledgement of the customer’s subscription for the service;

- (ii) the charges payable for the service; and
- (iii) the step-by-step instructions on how the customer can unsubscribe from the service

2.8.2 Subject to sections 2.8.3 and 2.8.4 below, :-

A premium rate service provider shall send a reminder message to the customer via the same medium by which the customer subscribed for the service or by SMS by no later than 24 hours before the expiration of each subscription period.

The reminder message shall contain the following information:-

- (i) A reminder to the customer of his subscription renewal for the service and, in the case of a service automatically renewable subscription, the date on which the subscription will be automatically renewed;
- (ii) The charges payable for the service; and
- (iii) The step-by-step instructions on how the user can unsubscribe from the service

2.8.3 A premium rate service provider who provides a subscription based service for prepaid services shall send a reminder message to the customer by no later than 24 hours before the expiry of the subscription period.

2.8.4 A premium rate service provider may provide customers with the option to expressly notify the premium rate service provider that he does not wish to receive such reminder

2.8.5 A premium rate service provider shall not impose any charges for any confirmation or reminder messages sent to customers.

2.9 Enabling customers to unsubscribe from subscription-based services

2.9.1 A premium rate service provider must enable the customer to issue his instruction to unsubscribe from the service at any time during the subscription period and shall, upon receiving such instruction, ensure that it does not renew the customer's subscription for the service once the current subscription expires.

2.9.2 Un-subscription keyword command must :-

- (a) be executable in a single message;

- (b) not be complicated to execute;
- (c) not be case sensitive; and
- (d) not have more than one space character separating the words comprised in the command.

2.9.3 A premium rate service provider shall upon receiving a message from a customer containing an un-subscription keyword command for its premium rate service send a confirmation message to the customer via the same medium by which the customer unsubscribed from the service or by SMS to acknowledge his instruction to unsubscribe from the service.

2.10 Charges

2.10.1 A premium rate service provider shall not charge any customer for any message or other communication pertaining to any unsolicited products, originating from the premium rate service provider.

2.10.2 A premium rate service provider shall only charge for advertised fee of the premium rate service that the customer has subscribed to.

2.10.3 Pricing shall not include any hidden costs. Where applicable, bearer costs that may be associated with downloading, browsing or receiving content must be included.

2.10.4 A premium rate service provider may charge for a prepaid subscription-based premium rate service fee :–

- (a) when it sends the confirmation message to customers upon their subscription to the service; and
- (b) in the case of a recurring fee, when it sends the confirmation message to customers upon the renewal of each subscription period.

2.10.5 A person/customer shall be regarded as having been charged for a service where he is presented with a bill for the service, regardless of whether or not payment is actually collected from that person/customer. This includes real time deductions for payment.

2.11 Chat services

2.11.1 Where a chat service enables a customer to receive multiple chargeable chat messages in response to a single chat message sent by him, the premium rate service provider shall, upon receiving a customer's instruction to subscribe for the service, send him a confirmation message :-

- (a) stating the default maximum number of chargeable chat messages that the customer will receive in response to every chat message sent by him; and
- (b) incorporating an automatic log-off function to enable the customer to pre-set the maximum number of chargeable chat messages that he wishes to receive in response to every chat message sent by him.

2.11.2 The premium rate service provider shall ensure that the chargeable chat messages sent in response to every chat message sent by the customer do not exceed the maximum default number stated in the confirmation message or the maximum number pre-set by the customer, as the case may be.

2.12 Provision of clear, accurate and timely billing

2.12.1 A premium rate service provider may issue bills to customers either directly or through network operators. In all cases, the premium rate service provider shall be responsible for ensuring that the bills for its premium rate services are clear, accurate and timely.

2.12.2 Where the agreement between the premium rate service provider and the customer does not specify how often the bill will be sent, the premium rate service provider shall ensure that the bill for its services is sent monthly.

2.12.3 A premium rate service provider shall ensure that every bill for its premium rate services, whether issued by the premium rate service provider or by its network operator, contains the following minimum information :-

- (a) the name of the premium rate service provider as registered with the relevant Authority in Lesotho;
- (b) the name of the premium rate service for which the person is being

- charged;
- (c) the charges for the service; and
- (d) the premium rate service provider's customer service hotline.

2.13 Disputes over charges

2.13.1 A premium rate service provider shall not collect payment, and shall ensure that the relevant billing network operator does not collect payment, from any person who is charged for a premium rate service (referred to in this section as the "person charged") where that person notifies the premium rate service provider that he believes the charge to be incorrect.

2.13.2 In all cases where a disputed charge is notified to a premium rate service provider by the person charged, whether directly or through its billing network operator, the premium rate service provider must take all necessary action to carry out a full and complete investigation at its own expense on the disputed charge, including but not limited to :-

- (a) checking that the charge is correct based on the premium rate service provider's records; and
- (b) verifying the accuracy of its records against the records of the network operator through which the premium rate service was provided.

2.13.3 Disputes shall be resolved in accordance with the Act.

2.14 Maintenance of customer service hotline and record of complaints

2.14.1 A premium rate service provider shall:-

- (a) not disseminate information that is false or deceptive, or likely to mislead by inaccuracy, ambiguity, exaggeration or omission
- (b) avail terms and conditions of their services to customers and potential customers on request
- (c) have a complaints procedure and shall respond to all queries, complaints and disputes lodged by any person to the customer service hotline not later than fourteen days of lodging such queries, complaints and disputes.

- (d) keep a record of all complaints and disputes raised by any person in relation to its premium rate service (referred to in this section as the “record of complaints”) containing the following information:-
 - (i) particulars of the person raising the complaint or dispute
 - (ii) the date and description of the complaint or dispute
 - (iii) description of the action taken by the premium rate service provider to address the complaint or dispute

2.14.2 Customer support must be easily available and telephonic support must be accessible on a Lesotho number.

2.14.3 The Authority reserves the right to inspect and to make copies of the records of complaints at any time and the premium rate service provider shall produce the records to the Authority upon request.

2.15 Use of customer service information (“CSI”)

2.15.1 CSI consists of all information that a premium rate service provider obtains as a result of a customer’s use of a premium rate service provided by the premium rate service provider and includes, but not limited to:–

- (a) the customer’s usage patterns (including number of calls, times of calls, duration of calls and parties called);
- (b) the services used by the customer;
- (c) the customer’s telephone number and network configuration;
- (d) the customer’s location information; and
- (e) the customer’s billing name, address and credit history.

2.15.2 Premium rate service provider shall implement appropriate procedures to ensure that privacy of customer information is protected as outlined in the Act

3 NETWORK OPERATORS

3.1 Compliance with provision applicable to premium rate service providers

Where a network operator itself provides a premium rate service, it shall be treated as a premium rate service provider in respect of such service and shall be required to comply with requirements of these Conditions.

3.2 Assistance in disputes over charges

3.2.1 Where a network operator issues a bill to a person for payment for a premium rate service, it shall ensure that the bill contains the following minimum information:–

- (a) the name of the premium rate service for which the person is being charged;
- (b) the charges incurred by the person for the service; and
- (c) the premium rate service provider’s customer service hotline

3.2.2 Notwithstanding section 3.2.1 above, in the event that the customer contacts the network operator to dispute the charge, the billing network operator shall provide reasonable assistance to such customer to resolve the dispute with the premium rate service provider.

3.2.3 In the case of a post-paid billing customer; a billing network operator shall not collect payment for any charge which the person charged reasonably believes to be incorrect pending the resolution of the disputed charge.

3.3 Interconnection

Network operators shall enter into interconnection agreements to enable customers of their networks to access the premium rate services ubiquitously on both networks at non-discriminatory terms through the utilization of level 3 numbering with a short code digit number of 5 digits provided that interconnection shall not be required where the premium rate service is utilized internally by a network operator for purposes of promotion of its network.

4 CHILDREN’S SERVICES

4.1 Children’s services shall not:-

- 4.1.1 contain anything that is likely to result in harm to children or which exploits their credulity, lack of experience or sense of loyalty.
- 4.1.2 include anything that a parent would not wish their child to hear or learn about in this way.

- 4.1.3 involve an invasion of privacy of any child.
- 4.1.4 unduly encourage children to ring or procure other premium rate services or the same service again.
- 4.1.5 make use of promotional material that contains adult themes or adult material.

5 ADULT SERVICES

- 5.1 Adult service shall be clearly indicated including in any promotional material and advertisements.
- 5.2 Promotions for adult services must be in context with the publication or other media in which they appear. Services should be in context with the advertising material promoting them. The content of a service should not be contrary to the reasonable expectation of those responding to the promotion.
- 5.3 Explicit Confirmation of a user's age shall be obtained prior to the delivery of any adult content service.
- 5.4 Prohibited practices:-**
 - 5.4.1 Adult services must not contain references that suggest or imply the involvement of children.
 - 5.4.2 Promotions for adult services must not appear in publications or other media specifically targeted at children.

6 COMPETITIONS

6.1 Provision of information:

- 6.1.1 Promotional material for a competition service shall clearly state the full cost to enter the competition and any other cost associated with obtaining the prize.

- 6.1.2 Promotional material for a competition service shall include details of how the competition operates.
- 6.1.3 Promotional material must clearly state any information which is likely to affect a decision to participate, including:
- (a) the closing date;
 - (b) terms and conditions, including any restriction on the number of entries or prizes which may be won;
 - (c) adequate description of prizes;
 - (d) any significant costs associated with collection, delivery or use of the prize or item.
- 6.1.4 An insufficient number of entries or entries of inadequate quality are not acceptable reasons for changing the closing date of a competition or withholding prizes. Once the closing date for a competition is reached, the advertised prizes must be awarded within 30 days of the closing date, notwithstanding the number of entries received for the competition.
- 6.1.5 All correct entries must have the same chance of winning
- 6.1.6 Competition services and promotional material must not:-
- (a) exaggerate the chance of winning a prize;
 - (b) be misleading or suggest that winning a prize is a certainty or suggest that the party has already won a prize and that by contacting the promoter of the competition, that the entrant will have definitely secured that prize.
- 6.1.7 A premium services provider who runs competitions shall have a surety in respect of any prizes on offer.

6.2 Children's competitions

- 6.2.1 Competitions services that are aimed at, or would reasonably be expected to be particularly attractive to children must not offer cash prizes.
- 6.2.2 Competition services that are aimed at, or would reasonably be expected to be particularly attractive to children must not feature long or complex rules.

6.3 Charitable promotions

- 6.3.1 Promotional material for charitable or fundraising promotions must make it clear that network operator fees and administration fees will be deducted from amounts paid unless such an operator stipulates other conditions to the contrary.
- 6.3.2 Promotional material must specify the identity of the beneficiary.
- 6.3.3 Promotional material must clearly state restrictions and conditions attached to the contribution to be made to the beneficiary.

7 ENFORCEMENT MEASURES

7.1 Complaint investigation

The Authority shall conduct investigations against premium rate service provider or a network operator as indicated in the Act.

7.2 Information to be complete, truthful and accurate

The premium rate service provider or a network operator must ensure that all information provided to Authority, whether in its written response, related representations or any other submissions, is complete, truthful and accurate.

Glossary

“Act” means the **Lesotho Telecommunications Authority Act 2000 (as amended)**.

“Adult service” is any service where the content or product is directly, or implies that the service is of a sexual nature and has been classified as suitable only for persons 18 years or older by an appropriate body;

“Authority” means the Lesotho Communications Authority

“Beneficiary” is a charity or organisation benefiting from a charitable promotion.

“charge” includes:–

- (a) the actual collection of payment; and
- (b) any act which conveys the impression to a person that he is required or obliged to pay for a service

“Charitable promotion” is any promotion which has a primary goal of benefiting a registered charitable organisation.

“Child” refers to a natural person under 18 years of age.

“electronic messaging” means the sending of a message over a public telecommunications network via an electronic messaging system but excludes voice calls;

“customer” means an entity other than the licensee that obtains a premium rate service;

“licensee” means a person who has been granted a licence by the Authority for the provision of communication service

“network operator” means a licensee who operates a public telecommunications network;

“premium rate service” means any value-added service provided over a public telecommunications network which consists of:–

- (a) the provision of content to any person including information, news, updates, data, quizzes, jokes, greeting messages, ringtones, wallpapers, logos and games and other issues of national interest for which charges are imposed

over and above the standard network charges of the relevant network operator;

(b) the provision of a facility to any person including chat services, contest participation, charitable fundraising and votelines for which charges are imposed over and above the standard network charges of the relevant network operator; or

(c) a combination of (a) and (b);

“premium rate service provider” means a licensee that engages in the provision of a premium rate service. For the avoidance of doubt:–

(a) a network operator that enables a third party premium rate service provider to provide a premium rate service over its network shall not be treated as the premium rate service provider of that service;

(b) a network operator that itself provides a premium rate service over its network shall be treated as the premium rate service provider of that service;

“public telecommunications network” means any telecommunications network in Lesotho;

“purchase keyword command” means the text message designated by a premium rate service provider to enable a person to purchase its premium rate service via electronic messaging

“subscription-based” means a premium rate service provided for a fixed or continuous duration to a customer for a fee.

“Subscription keyword command” means the text message designated by a premium rate service provider to enable a person to subscribe to its premium rate service via electronic messaging.

“unsubscription keyword command” means a text message designated by a premium rate service provider to enable a customer to unsubscribe from a premium rate service via electronic messaging