MTN Token Based Billing – Business Rules

Introduction
MTN is serious about the protection of its customers against unauthorised billing for WASP services. We have therefore embarked on deploying a Token Based Billing (TBB) technical solution that will prevent WASPs from billing customers for WASP services without their express consent. A token is generated for a customer purchasing or subscribing to WASP services and a WASP will not be able to bill a customer unless the customer has approved the token and it becomes valid. MTN customers will now be in full control of purchasing WASP Services, whether once-off or subscription services and can opt out of any and/or all WASP subscription service(s) at any time via MTN's self-service USSD menu.

Background
MTN currently provides WASPS with access to its Event Based Billing (EBB) System, enabling WASPS to directly bill a MTN customer for WASP services. This billing mechanism allows for flexible billing and WASP's can bill customers once-off for ad-hoc purchases and/or multiple times for subscription services. MTN is currently reliant on the Wireless Application Service Provider Association (WASPA) Code of Conduct to govern the billing of WASP services, and are further reliant on WASPS to comply with the WASPA Code of Conduct to ensure that MTN customers are only billed for those WASP services for which they have authorised the billing via a double opt-in process as prescribed in the Code. Unfortunately, due to the EBB System's inability to enforce the double opt-in process, there have been heightened claims from MTN customers of unauthorised billing for WASP services. These claims have resulted in major reputational damage to the MTN brand, high call centre costs and numerous disgruntled customers. Consequently, MTN has had to seek measures to eliminate these claims and to minimise all associated risks.

Objective
The key objectives are to ensure that:
⬚ Complaints related to WASP services are significantly minimised;

⬚ Customer engagement with WASP Services is restored and trusted;

⬚ Customer experience is improved and customer satisfaction is heightened;

⬚ Onerous accountability is instilled in all WASPS and MTN to provide sustainable WASP services and revenues;

4. Token Based Billing Business Rules

4.1 Subscribing to WASP Services

4.1.1 When a customer authorizes the WASP to bill them, the customer must be made aware of the following information:
a) The service or product that the customer is purchasing;
b) The frequency of the service/product being purchase i.e. once-off or monthly subscription;
c) The amount the customer is agreeing to be charged per frequency; and
d) Disclaimer or Terms and Conditions the customer agrees to in terms of this purchase and authorization.

When a customer opts in via any channel/bearer type other than WAP/Web or USSD, the customer will be provided with a USSD string by the WASP (eg *141*5**3digitpin - also provided by WASP*#.) Once the USSD string is entered, the customer will be taken directly to opt in for the subscription instead of having to navigate the USSD menu.

4.1.3 Tokens are created in a pending state until authorized by the customer.

If a customer authorizes a pending token within 7 days, the token status will change to active. Otherwise the pending token will expire.

4.1.5 When a token is created successfully, the WASP will be notified.

4.1.6 When a token's status changes, the WASP will be notified.

4.1.7 Tokens can run indefinitely or have an expiry date, depending on the services the customers subscribed for and information provided by the WASP.

4.1.8 Authorization of a token by a customer must be free of charge and under no circumstances will a WASP be allowed to bill a customer for same.

4.1.9 Authorization by a customer for WASP services must, as far as possible, not break away from the channel it is accessed on/in.

4.1.10 The WASP should not attempt to bill the customer for an amount higher than the value of the token approved by the customer. Any such attempts will be billed to the WASP by MTN at an amount still to be defined.

4.1.11 appropriate error messages will be returned to the WASP informing them of successful or unsuccessful token generation.

4.1.12 Real time notifications must be sent to WASP in the event of a token status change.

4.1.13 The WASP must redirect the subscriber to the MTN approval page hosted at http://ebb.mtn.co.za for the subscriber to approve or reject the service request. This page may not be replicated by the WASP and hosted on its servers.

4.2 Unsubscribing from WASP Services
4.2.1 If a customer unsubscribes from content purchased from a WASP, the token status will be changed and no further billing attempts can be made on that token. If the WASP attempts to bill, a levy, to be determined by MTN, will be charged to the WASP.
4.2.2 Real time notifications will be sent to the WASP when a token's status changes.

4.2.3 Customers must be able to unsubscribe via the USDD self-service channel. Customers can opt out of any subscription service(s) at any time using MTN's self-service USSD menu on *141*5#, as well as MTN's or the WASP's call centre.

4.2.4 When details of an active token is displayed once selected from the active subscriptions list, the customer will have the option to unsubscribe from the service.

Retrieval of Lost Tokens by WASP

4.3.1 All tokens, regardless of the status in the TBB database for a specific WASP, will be made available in a secure location for the WASP to retrieve.

4.3.2 All used and rejected tokens will be periodically removed from the TBB database by MTN and will not be included in the daily token dump thereafter.

4.4 TBB token removal for Recycled Numbers

4.4.1 Once a MSISDN is put in suspension before recycling, MTN will ensure that all tokens for that MSISDN will be made inactive.

If a MSISDN is made available (recycled) again all tokens will be invalid and only new Token Based Billing transactions will be enacted (i.e via approval of a token by a customer).

4.4.3 Real time notifications will be sent to the WASP.

4.5 Validate WASP Token

4.5.1 The WASP can only use a token in an active state in order to bill a customer for services.

4.5.2 If the WASP attempts to bill a customer using a token in any status other than active, penalties as per the error codes list will be levied.

4.5.3 If the WASP has already billed the customer for the period, a penalty will be incurred by the WASP if the WASP attempts to do so again within the same period.

4.5.4 The WASP cannot bill a customer for an amount exceeding that agreed to on authorization of the token by the customer.

4.5.5 Each time the WASP attempts to bill a customer using an active token, MTN will check if there are sufficient funds.

4.5.6 If there are sufficient funds and the token is active, the customer will be billed by the WASP (not exceeding the maximum amount of the token for the period).

4.5.7 Should a customer not have sufficient funds when a WASP attempts to bill them, the WASP will be informed accordingly, but no penalties will be levied on the WASP for such attempts. However, if billing success of the same attempts is less than 30% of the total billing attempts, MTN will levy a charge to the WASP for these attempts at a rate to be determined by MTN.

The WASP will be able to bill customers an amount lower than that agreed to upon authorization of the token.

4.6 Recovery Billing

4.6.1 A Recovery bucket will be created for each token that was partially or never billed, within a particular service interval.

4.6.2 The recovery bucket will hold the amount that the WASP can recover. (For example, if the subscription is R7 per week and the WASP can only successfully bill the customer R6 for this week, then the recovery bucket will be updated with R1.)

4.6.3 The recovery bucket balance will never be made available to the WASP.

4.6.4 If the WASP wishes to recover costs, the WASP must indicate the request as a WASP recovery request, as per the Technical Specification provided by MTN.

4.6.5 MTN may later wish to charge WASPs a transaction fee when attempting to collect from a recovery bucket that is empty = R0 or on an amount exceeding the recovery bucket balance.

4.6.6 The WASP must clearly communicate these billing methods to customers.

The dynamic arrears period must be set as follows per frequency, but MTN reserve the right to change this as and when required:

a) Hourly services: Billing request end period + 12 hours.

b) Daily services: Billing request end period + 5 days.

c) Weekly services: Billing request end period + 14 days.

d) Monthly Services: Billing request end period + 30 days.

Should a recovery amount within the bucket reach the end of its arrears period, the amount will be removed from the recovery bucket. Thus the oldest recovery amount will be removed first, as it will reach the end of the arrears period first.

4.6.9 The recovery bucket will thus hold the sum total of all the amounts that the WASP can recover on, but each amount will have an expiry date, which will be the arrears period. The arrears period allows a WASP to collect a specific amount only for a certain period, thereafter the amount falls away (removed from recovery bucket total and recovery bucket total updated) and the WASP cannot recover that amount anymore.

4.7 Call Centre Customer Support for Unsubscription of WASP Services

4.7.1 MTN Call centre agents will be able to view customer subscriptions based on token billing.

4.7.2 Call centre agents will not have access to unsubscribe customers from services, however they can provide the customer with instructions on how to unsubscribe via MTN's self-service USSD channel.

4.7.3 Existing access and processes for call centre agents will remain in place. Access to WASPA and e-mail to the WASP to fulfil requests from a customer, remains as per the current process

WASP Transaction Fees

All WASPs will pay a transaction fee of R0.05 (excl. VAT)

Migrations

4.9.1 All customers that have a content billing barring option loaded on their MSISDN at time of migration from EBB to TBB, will be excluded from the migration and their subscriptions invalidated. Tokens for these MSISDN will not be generated by MTN.

4.9.2 Penalties imposed on the WASP if any unauthorised subscriptions are included in the subscriber database to be migrated to TBB, as provided by the WASP, are contained in paragraph 5.6 of these Business Rules.

5. General Business Rules

5.1 The Token Based Billing Services Annexure supersedes the EBB Services Annexure to the MTN WASP Agreement.

5.2 The Token Based Billing Rules will apply to all Token Based Billing transactions using all bearer types.

5.3 Where the WASPA Code of Conduct differs from MTN's Token Based Billing Rules, MTN Business Rules will take precedence.

5.4 All requests from customers to opt-out of services they are subscribed to via a WASP must be free to the customer.

5.5 Any opt-out requests from customers to marketing messages from the WASP must be free to the customer. In the event that MTN finds, through validated channels, what it deems excessive opt-out requests from customers, this will be considered SPAM and MTN will reverse-bill the cost of that opt-out to the WASP at the MTN standard rate.

MTN may, at its sole discretion and without prejudice to any right which it might have to terminate the service, elect to immediately suspend the provision of the service if:

5.6.1. MTN has reasonable grounds to consider it is entitled to terminate the service;

5.6.2 MTN is obliged to comply with an order, instruction or request of a court, government agency, emergency service organisation or other administrative or regulatory authority;

5.6.3 MTN has reasonable grounds to consider that the service is being used fraudulently or illegally;

5.6.4 MTN has reasonable grounds to consider that the WASP will not or is unable to make any payment which is due or is to fall due to MTN hereunder;

5.6.5 MTN has reasonable grounds to consider that the WASP is or has been involved or connected with criminal activity or other activity, which is or may be detrimental to MTN; or

5.6.6 MTN has reasonable grounds to believe that the WASP has billed any of its customers without the customer's consent/authorization.

If MTN exercises its right to suspend the service it shall, whenever reasonably practicable, give prior notice of such suspension to the WASP, such notice to state the grounds of such suspension and its expected duration. MTN shall in such circumstances use all reasonable endeavours to resume the Service as soon as is practicable.

5.8 If the service is suspended as a consequence of the breach, fault, act or omission of the WASP, the WASP shall pay to MTN all reasonable costs and expenses incurred by the implementation of such suspension and/or recommencement of the provision of the service.

5.9 MTN reserves the right to withhold any revenue that may accrue to the WASP during the suspension period. All WASP revenue will only accrue to the WASP once the breach, fault, act or omission of the WASP has been remedied in on or before the agreed upon time period.

5.10 MTN shall not be liable for any loss, damage or inconvenience suffered by the WASP as a result of any suspension, except to the extent that such suspension is directly attributable to the negligence of MTN.