

# CTIA Compliance Assurance Solution

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## Mobile Commerce Compliance Handbook

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## Introduction

Presenting a unified standard of compliance for mobile carrier billing, the Mobile Commerce Compliance Handbook promotes a marketplace in which consumers may choose to purchase high-quality products and services using the most ubiquitous tool available to them—their mobile phone. Mobile carriers, service providers, and brands can build dynamic connections with consumers by providing a transparent purchase experience in which users feel confident regarding the security of their personal information and the value of the products they receive.

The Mobile Commerce Compliance Handbook improves on previous versions of the CTIA Playbook by achieving the following objectives:

- ▶ Clarify and unify industry compliance rules
- ▶ Reinforce consumer protections around opt-in, privacy, and customer care
- ▶ Speed and simplify deployment of healthy mobile campaigns

The CTIA is committed to the goal of unifying its members around a common definition of compliance. However, carriers are free to maintain individual playbooks tailored to their customers' needs and must sometimes respond to emerging risks that fall outside the CTIA's compliance solution. Service providers and aggregators are encouraged to comply with both the spirit and letter of the Mobile Commerce Compliance Handbook in addition to all carrier playbooks. Section E, Carrier-Specific Rules, lists policies that vary on a carrier-by-carrier basis.

Although these requirements are based on the CTIA and participating carriers' experience with standard rate and premium shortcode programs, the core rules are relevant to many types of mobile services. All guidelines apply to both standard and premium rate programs unless stated otherwise. For further guidance, see the MMA Global Code of Conduct, <http://www.mmaglobal.com/codeofconduct.pdf> and the MMA Consumer Best Practices <http://www.mmaglobal.com/policies/committees/consumer-best-practices>. Where these documents conflict, the CTIA Mobile Commerce Compliance Handbook takes precedence.

## Consumer Bill of Rights

For all premium programs resulting in charges on customers' wireless bills, the following compliance principles apply: The Consumer Bill of Rights is intended as a snapshot of the guidelines detailed in the Mobile Commerce Compliance Handbook and might not include all requirements.

- ▶ Programs must use a **two-factor authentication** for all opt-ins.
- ▶ After opt-in, users should receive purchase **confirmation** of their purchase, either on an additional screen or via a text message.
- ▶ All offers must display clear, legible **pricing** information adjacent to the call-to-action. Pricing information must appear on all screens in the purchase flow.
- ▶ **Billing frequency** information should appear with pricing information, and subscriptions should be labeled clearly as such.
- ▶ Clear **opt-out instructions** must be provided before the purchase is completed and before renewal billing each month.
- ▶ All offers must include **customer care** contact information in the form of a toll-free phone number or an email address. Contact information should function and result in actual user help.
- ▶ All offers must supply **privacy policy** access.
- ▶ Purchase flows should include clear **descriptions of products** offered, and products marketed must match products delivered.
- ▶ Product **descriptions on customers' wireless bills** must reflect accurately the product purchased. Descriptions should include the billing shortcode and the program name.

## Consumer Alert: Important Updates to the FCC Telephone Consumer Protection Act, Effective October 16, 2013

As of October, 16, 2013, the Federal Communications Commission (FCC) requires that telemarketers obtain "prior express written consent" from consumers before sending prerecorded telemarketing calls and text messages using an automated dialing system. Additionally, the "established business relationship" exemption has been eliminated. The new requirements appear in the FCC's updated rules and regulations implementing the Telephone Consumer Protection Act of 1991.<sup>1</sup>

Prior express written consent is defined by the FCC as "an agreement, in writing, bearing the signature of the person called that clearly authorizes the seller to deliver or cause to be delivered to the person called advertisements or telemarketing messages using an automatic telephone dialing system or an artificial or prerecorded voice, and the telephone number to which the signatory authorizes such advertisements or telemarketing messages to be delivered."<sup>2</sup>

Prior express written consent must display clearly a disclosure stating the following:

1. By signing the agreement, the individual is authorizing the seller to deliver telemarketing calls using an automatic telephone dialing system or an artificial or prerecorded voice; and
2. The individual is not required to sign the agreement as a requirement for purchasing property, goods, or services.<sup>3</sup>

The individual's signature may be any legally recognized electronic or digital form. Selected exemptions from obtaining written consent are attainable for some call and message types, including emergency, political, and informational calls or messages.

For more information, please visit the FCC Website (<http://www.fcc.gov/>). Please consult your attorney for further legal advice.

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<sup>1</sup> 47 U.S.C. § 227 (1991).

<sup>2</sup> 47 C.F.R. § 64.1200(f)(8) (2011).

<sup>3</sup> 47 C.F.R. § 64.1200(f)(8)(i) (2011).

# Compliance Principles

## A. Mobile Programs

### A1. Choice and Consent

#### A1-01. OPT-IN

Mobile services are expected to deliver sufficient value that consumers elect to participate with full transparency into the delivery conditions. Messages must be delivered to a user's handset only after the user has opted in to receive them. A user might indicate interest in a program in a number of ways. For example, a user might:

- ▶ Enter a phone number online,
- ▶ Click a button on a mobile Webpage,
- ▶ Send an MO message containing an advertised keyword, or
- ▶ Sign up at a point-of-sale location.

Calls-to-action must be clear and accurate; consent must not be obtained through deceptive means. Enrolling a user in multiple programs based on a single opt-in is prohibited, even when all programs operate on the same shortcode. All premium services require double opt-in, which means a user must take two discrete actions to accept pricing and relevant service terms *before* opt-in and billing occurs.

Appendix B details additional requirements for point-of-sale (POS) opt-ins.

#### A1-02. OPT-OUT

An opt-out method must be promoted in advertising and service messages for all premium programs and recurring standard rate and free programs. Recurring programs must promote opt-out instructions at regular intervals in content or service messages, at least once per month. A service may deliver one final message to confirm a user has opted out successfully, but no additional messages may be sent after the user indicates a desire to cancel a service. Users must be able to opt out at any time.

#### A1-03. UNSOLICITED MESSAGES

All messages delivered before a user opts in or after a user receives confirmation of opt-out, and any message delivered in excess of the quantity advertised, are considered spam. Mobile programs engaging in or affiliated with spam are eligible for termination.

#### A1-04. PRIVACY

Everybody has a right to privacy, and the mobile carriers are committed to protecting their customers' privacy. All programs must maintain a privacy policy and make it accessible from the call-to-action. If a link to the privacy policy is supplied, this link must be labeled clearly.

#### A1-05. CUSTOMER CARE CHANNELS

Customer care contact information must be clear and readily available to help users understand program details as well as their status with the program. Customer care information should result in users receiving help. No customer care channel may result in premium charges. Programs must *always* respond to customer care requests, whether or not the requestor is subscribed to the program.

### A2. Program Content

#### A2-01. UNAPPROVED OR ILLICIT CONTENT

No programs associated with carrier brands or operating on the carrier networks may promote unapproved or illicit content, including the following:

- ▶ Depictions or endorsements of violence;
- ▶ Inappropriate or adult content;
- ▶ Profanity or hate speech; or
- ▶ Endorsement of illegal or illicit drugs.

Programs must operate according to all applicable federal and state laws and regulations. All content must be appropriate for the intended audience. Additional legal and ethical obligations apply when marketing to children under 13, and such programs might be subject to additional review on a carrier-by-carrier basis.

#### A2-02. CONTROLLED SUBSTANCES

Promotions of controlled substances might be subject to additional review on a carrier-by-carrier basis. Service providers must receive explicit approval before launching these types of programs. Marketing of hard alcohol and tobacco brands must either include robust age verification (e.g., electronic confirmation of age and identity) at opt-in or restrict promotions to age-verified locations (e.g., POS in bars). Mobile programs must not promote the use of controlled substances directly. Reference to the abuse of controlled substances is prohibited.

#### A2-03. SWEEPSTAKES AND CONTESTS

Sweepstakes and contests might be subject to additional review on a carrier-by-carrier basis. Service providers must receive explicit approval before launching these types of programs. All sweepstakes must support a no-cost entry method. Service providers operating sweepstakes should seek legal guidance.

#### A2-04. CONTENT DELIVERY

Users should be informed of the next steps to download and store new content immediately after purchase. Content must be delivered correctly and function as advertised.

### A3. Marketing Practices

#### A3-01. MARKETING CONTEXT

No component of program advertising, placement, or messaging may be deceptive about the functionality, features, or content of the underlying program. All disclosures present in pre-purchase calls-to-actions, advertisements, terms and conditions, and messaging must remain clear and consistent throughout the user experience. Examples of deceptive marketing practices include the following:

- ▶ Use of stacked premium offers;
- ▶ Incentivizing premium services with unrelated products and promotions; and
- ▶ Tracking IP addresses to serve compliant offers to certain users.

MIN- and PIN-entry pages must display the same program details and terms and conditions.

#### A3-02. USE OF “FREE” TERMINOLOGY

Services must not be promoted in association with the word “free” unless they are configured as free to end-user (FTEU) with all supported carriers. This restriction includes the use of the term “free” in external frames and windows that might appear reasonably associated with the mobile offer.

### A4. Program Records and Functionality

#### A4-01. PROGRAM RECORD MAINTENANCE

Service providers assume responsibility for maintaining accurate records in carrier systems and the CSCA registry. Service providers wishing to modify a program must submit changes to the carriers for review and must update relevant records on approval. Programs promoted in the market must match the programs approved.

#### A4-02. CUSTOMER RECORDS

All opt-in and opt-out requests should be retained from the time a user initiates opt-in until a minimum of six months after a user has opted out of a program. Service providers assume responsibility for managing information about deactivated and recycled numbers and must process this information within three business days of receipt. After porting a phone number between carriers, users must opt in again to desired programs.

Service providers must track opt-in information by individual user. Selling mobile opt-in lists is prohibited.

#### A4-03. PROCESSING MO MESSAGES

All mandatory keywords must be processed correctly regardless of MO message format (e.g., keywords must work whether sent by MMS or SMS). Service providers must scan MO message logs regularly to identify opt-out attempts and take action to terminate those subscriptions, whether or not the subscribers utilize the correct opt-out keywords or methods.

### A5. Carrier Brands

As partners leveraging carrier brands and custodians of carrier customers, all mobile service providers must respect carrier branding requirements and restrictions.

## A6. Affiliate and Partner Conduct

Service providers assume full responsibility for compliance with CTIA audit standards and applicable laws for all calls-to-action from which they derive traffic or revenue, including the CAN-SPAM Act of 2003. Service providers should terminate their relationship with any party engaged in noncompliant marketing on their behalf. A service provider or aggregator must control collection and transfer of user information, including all MIN-entry pages.

Service providers operating shared shortcode programs are expected to make a reasonable effort to educate their clients about industry compliance and to provide the information and tools (e.g., compliant terms and conditions templates, compliant messaging systems) necessary for partners to deploy and maintain compliant programs.

## B. Calls-to-Action

### B1. Service Details

#### B1-01. PRODUCT DESCRIPTION

Calls-to-action must display a detailed and accurate description of the product or service as part of the main offer *in addition* to disclosures in the terms and conditions. Product description must remain consistent throughout the user experience, and content must be delivered as advertised. Generic, unqualified terms, such as “downloads,” “alerts,” or “credits,” are insufficient to represent the product.

#### B1-02. PRODUCT QUANTITY

Calls-to-action must display the product quantity as part of the main offer *in addition* to disclosures in the terms and conditions. Product quantity must remain consistent throughout the user experience and content must be delivered as advertised. Premium programs must disclose a specific quantity (e.g., “three per week,” “20/month”). Standard rate programs must differentiate, at a minimum, between one-off purchases and subscriptions. One-off programs deliver only one message to users, while recurring message programs deliver multiple messages. Terms such as “recurring” or “periodic” are sufficient to satisfy product quantity requirements for recurring standard rate programs.

#### B1-03. SUBSTITUTIONS AND RESTRICTIONS

Calls-to-action must display substitution details, including carrier- and handset-specific restrictions, as part of the main offer *in addition* to disclosures in the terms and conditions. Users may not be rerouted to a new program at opt-in.

### B2. Premium Pricing

#### B2-01. PRICING DISCLOSURE AND PLACEMENT

Premium calls-to-action must display pricing clearly and prominently as part of the main offer *in addition* to disclosures in the terms and conditions. Pricing always must be presented in numerical format with a dollar symbol (\$). Pricing must remain consistent throughout the user experience. Pricing must not be minimized by terms such as “only” or “just.” Pricing must be presented exactly as it appears on the user’s phone bill.

#### B2-02. PRICING FORMAT IN ONLINE ADVERTISING

Pricing must be displayed on online MIN- and PIN-entry pages according to the following measures:

- ▶ Within 125 pixels directly above or below the cell-submit field, with no intervening text or graphics;
- ▶ In a minimum of 12 point font (measured as 16 pixels); and
- ▶ With a color contrast value of 125 against all points of the background.

### B3. Premium Subscription Charges

#### B3-01. SUBSCRIPTION BILLING FREQUENCY

Billing frequency describes the period over which subscription charges recur (e.g., “per month,” “monthly”). Calls-to-action must display billing frequency clearly and prominently as part of the main offer *in addition* to disclosures in the terms and conditions. Billing frequency must remain consistent throughout the user experience. Chat and content subscriptions must bill monthly. Minimum subscription periods are prohibited.

#### B3-02. BILLING FREQUENCY FORMAT IN ONLINE ADVERTISING

Billing frequency must be displayed on online MIN- and PIN-entry pages within 125 pixels directly above or below the cell-submit field, with no intervening text or graphics.



## B4. WAP-Type Offers

### B4-01. *PRESCRIBED FORMAT*

Premium calls-to-action employing WAP headers to prepopulate users' phone numbers must comply with all compliance principles stated previously. However, WAP-type offers must display required disclosures in a standard format. Opt-in buttons must state "Buy," "Purchase," or "Subscribe" on opt-in screens and "Pay on my Phone Bill" or "Confirm Purchase" on purchase confirmation screens. Terms and conditions, privacy policy, and message and data rates links must appear below the opt-in button. Additional disclosures must appear in paragraph form beneath the required links, and all offers must include a "Cancel" link below the opt-in button on the purchase confirmation screen. Appendix A displays an example of a compliant WAP-type flow.

### B4-02. *PURCHASE FAILURE SCREENS*

Unsuccessful WAP-type transactions must display a purchase failure screen. The purchase failure screen must detail the failure reason and state that no charges were made. Additionally, the purchase failure screen should provide a "Continue" button, allowing users to return to the initial offer. Appendix A displays an example of a compliant purchase failure screen.

## C. Terms and Conditions

### C1. Abbreviated Terms and Conditions

#### C1-01. *ABBREVIATED TERMS AND CONDITIONS PLACEMENT*

Abbreviated terms and conditions must be displayed clearly and legibly under the call-to-action. Terms and conditions must be accessible using the primary browser scroll bar. Nested scroll boxes or frames that obscure any part of the terms and conditions are prohibited. Terms and conditions in TV advertisements must be static. Different programs require dedicated terms and conditions; for clarity, generic terms and conditions are prohibited for premium rate programs.

#### C1-02. *ABBREVIATED TERMS AND CONDITIONS IN ONLINE ADVERTISING*

The first three lines of abbreviated terms and conditions must appear above the fold on a 1024x768 resolution screen. Account holder authorization disclosure also must be displayed above the fold on a 1024x768 resolution screen. All terms and conditions text must maintain a color contrast value of 125 against all points of the background. Premium advertisements must include a mechanism for a user to accept the terms and conditions manually before purchase. Terms and conditions checkboxes must not be pre-checked.

#### C1-03. *DISCLOSURES IN ABBREVIATED TERMS AND CONDITIONS*

Abbreviated terms and conditions for standard rate and premium programs must include, at a minimum, the following disclosures:

- ▶ Product description and quantity;
- ▶ Program identification (PSMS programs must display the billing shortcode);
- ▶ Opt-out instructions (must be displayed in **bold** typeface; one-off standard rate programs exempt);
- ▶ Message and data rates may apply; and
- ▶ Links to privacy policy and comprehensive terms and conditions (must be labeled with the word "privacy").

In addition, abbreviated terms and conditions for premium programs must include the following billing-related disclosures:

- ▶ Customer care contact information (must be displayed in **bold** typeface);
- ▶ Pricing and billing frequency;
- ▶ Billing method;
- ▶ Account holder authorization; and
- ▶ Customer cancellation (i.e., notice that charges will recur until cancelled; subscriptions only).

### C2. Comprehensive Terms and Conditions

Comprehensive terms and conditions must be hosted on a static Website to which a user may return. Comprehensive terms and conditions must contain all disclosures present in the abbreviated terms and conditions. In addition, the comprehensive terms and conditions for standard rate programs must include customer care contact information and opt-out instructions.

## D. Message Flow

### D1. Opt-In

#### D1-01. HANDSET CONFIRMATION

Handset possession is implicitly confirmed when user opts in from a mobile handset (e.g., keyword-based opt-ins, mobile Web opt-ins); all other opt-ins for recurring services must include an additional step to confirm handset possession. Service providers may satisfy this requirement by sending an abbreviated opt-in MT message soliciting an MO response from the user. This message must include enough information to identify the program.

#### D1-02. DOUBLE OPT-IN

After responding to a *premium* call-to-action, a user must review and accept program terms manually a second time before billing occurs. The second step of the double opt-in often is accomplished through a confirmation screen, for handset-based opt-ins, or an MT containing a PIN or opt-in response. A compliant double opt-in contains the following:

- ▶ Product description and quantity;
- ▶ Pricing and billing frequency;
- ▶ Program name;
- ▶ Mechanism to complete opt-in (e.g., PIN, response command, “Buy” button) displayed *after* pricing only;
- ▶ Customer care contact information; and
- ▶ Message and data rates may apply.

### D2. Program Enrollment Confirmation

After a user has opted in successfully, the service must display or deliver a short message confirming program enrollment. A compliant opt-in confirmation message contains the following disclosures:

- ▶ Product description and quantity;
- ▶ Pricing and billing frequency (premium only);
- ▶ Program name;
- ▶ Opt-out instructions (premium and recurring standard rate);
- ▶ Customer care contact information; and
- ▶ Message and data rates may apply.

Confirmation of enrollment in one-off standard rate programs can coincide with content delivery. In this case, the content message must display the program name.

### D3. Customer Care

To deliver a consistent user experience, service providers must supply customer care for one-off and subscription programs, both standard rate and premium rate, whether or not a user is subscribed. Shortcode programs must respond to the universal keyword HELP with details relevant to the specific program in which a user has participated. Programs operating in languages other than English must support a HELP keyword in their native language in addition to the English-language keyword HELP. The HELP MT message must contain the following disclosures:

- ▶ Product description and quantity;
- ▶ Pricing and billing frequency (premium only);
- ▶ Program name;
- ▶ Opt-out instructions (premium and recurring standard rate);
- ▶ Customer care contact information (e.g., toll-free helpline number); and
- ▶ Message and data rates may apply.

Subsequent text, punctuation, and capitalization must not interfere with HELP keyword functionality.

For a user enrolled in multiple programs on the same shortcode, service providers may deliver a menu in response to the keyword HELP. This menu should contain options to obtain assistance with the specific programs in which the user is enrolled. If the user has participated in only one program, the HELP keyword must not respond with a menu.

#### D4. Subscription Renewal

A user must be notified of recurring premium charges and must be provided with an opportunity to opt out at least 24 hours before renewal charges are incurred. Before a program renews, a subscription renewal notice must be sent to the user's handset with the following information:

- ▶ Program name;
- ▶ Pricing and billing frequency;
- ▶ Notice of renewal and renewal date; and
- ▶ Opt-out instructions.

If a user is subscribed to more than one program on same shortcode, the user must receive separate subscription renewal notices prior to the anniversary of each subscription. Each subscription must be renewed independently.

#### D5. Opt-Out

Programs must recognize and respond to all reasonably clear opt-out attempts. To deliver a consistent user experience, service providers must respond to opt-out attempts for one-off and subscription programs, both standard rate and premium rate, whether or not a user is subscribed. Shortcode programs must respond to, at a minimum, the universal keywords STOP, END, CANCEL, UNSUBSCRIBE, and QUIT by sending a STOP MT message and, if the user is subscribed, by opting the user out of the program. Subsequent text, punctuation, and capitalization must not interfere with STOP keyword functionality.

Programs operating in languages other than English must support a STOP keyword in their native language in addition to the English-language keywords listed above.

The STOP MT message must contain the following two elements:

- ▶ Program name; and
- ▶ Confirmation that both messages and charges have ceased.

Only one message is permitted in response to the STOP command.

### E. Carrier-Specific Rules

The CTIA is committed to the goal of unifying its members around a common definition of compliance. However, carriers are free to maintain individual playbooks tailored to their customers' needs and must sometimes respond to emerging risks that fall outside the CTIA's compliance solution.

Service providers are encouraged to consult individual carrier playbooks for clarity and additional information on:

- ▶ Program certification and migration processes and program brief details;
- ▶ Policies governing viral marketing;
- ▶ Policies governing participation TV;
- ▶ IVR program functionality and approvals;
- ▶ Promotion of controlled substances, marketing to children, and sweepstakes;
- ▶ Bill face descriptor requirements and billing dispute resolution;
- ▶ Spending reminders and caps; and
- ▶ Charitable giving programs.

# In-Market Monitoring Guide

## F. Compliance Audits

### F1. What Is In-Market Monitoring?

The CTIA Compliance Assurance Solution uses data gathered through in-market monitoring. Live programs are captured and tested after calls-to-action are deployed in the market. This method is more effective than program brief review or routine keyword testing because audits reflect the user experience that real consumers encounter when they interact with these programs.

The CTIA issues audits weekly for premium and standard rate shortcodes leased with the CSCA. Audits performed by the CTIA are available to all major U.S. carriers, and CTIA compliance metrics can be incorporated into individual carrier compliance policies.

### F2. In-Market Monitoring Portal

The CTIA maintains an online portal, which members of the industry can visit to review audits. Carriers, aggregators, and service providers can log into the CTIA In-Market Monitoring Portal (CTIA IMM Portal) at <http://ctia.psmsindustrymonitor.com/user/login> to view all violations on shortcodes they manage.

Aggregator and service provider staff may contact [ctia.support@psmsindustrymonitor.com](mailto:ctia.support@psmsindustrymonitor.com) to request login credentials for their first visit to the portal, and they may reset existing login credentials at <http://ctia.psmsindustrymonitor.com/user/requestReset>.

### F3. Program Violation Notices

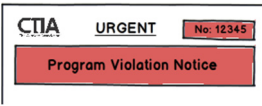
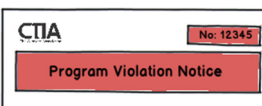
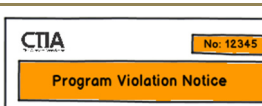
#### F3-01. FAILURE FORMS

The CTIA distributes color-coded Program Violation Notices, known informally as failure forms, each week. At the top of a failure form is a unique audit number and the shortcode, service provider, and aggregator or aggregators as well as the notice date and the cure date. Individual violations are classified as Severity 0, Severity 1, or Severity 2, based on the seriousness of the infraction, with Severity 0 the most egregious. Taking the severity level of the most serious violation cited, a failed audit must be resolved in the appropriate timeframe (i.e., the noted cure date).

#### F3-02. SCHEDULE

The CTIA compiles and generates Program Violation Notices each Monday for audits performed the previous week, and audits are published as soon as they become available. Although audits might be available for review earlier, the official notice date from which the cure date is calculated is 12:00PM EST on Tuesday.

#### F3-03. SEVERITY LEVELS

	Definition	Cure Date	Penalties	Violation Notice
Severity 0	Extreme consumer harm	Immediate	<b>CTIA:</b> Immediate registry suspension  <b>Carriers:</b> Case by case; immediate suspension or termination possible	
Severity 1	Serious consumer harm	2 business days (premium) 5 business days (standard rate)	<b>CTIA:</b> Unresolved audits reviewed for possible registry suspension  <b>Carriers:</b> Case by case	
Severity 2	Moderate consumer harm	5 business days	<b>CTIA:</b> Case by case  <b>Carriers:</b> Case by case	

## G. Communicating with the CTIA Compliance Care Team

### G1. Q&A

On receiving a Program Violation Notice, service providers may submit questions to [compliance@psmsindustrymonitor.com](mailto:compliance@psmsindustrymonitor.com) by replying to the compliance notification email. The reply, which must preserve the email subject field, should pose specific questions or outline issues relating to the cited violations. The CTIA Compliance Care Team (Care Team) responds promptly to all Q&A messages. Care Team specialists are unable to preapprove compliant designs but will try to assist as much as possible.

### G2. Retests

Within the prescribed time period following issuance of a Program Violation Notice, the responsible aggregator or service provider must confirm by replying to the initial email ([compliance@psmsindustrymonitor.com](mailto:compliance@psmsindustrymonitor.com)) that changes have been made or that the offending advertisement or message flow has been removed from market. If the Care Team fails to receive confirmation or the service provider fails to take the actions required, the shortcode is subject to further action. In this case, the audit status is changed to Escalated in the CTIA IMM Portal.

In the case of TV or print advertisements with longer production cycles, aggregators and service providers may submit a retest request for a release date. Retest requests must be made in good faith, with a clear explanation of the changes implemented. Audits at this status are categorized as Pending Retest.

### G3. Appeals

Aggregators and service providers may challenge an audit by responding to [compliance@psmsindustrymonitor.com](mailto:compliance@psmsindustrymonitor.com) before the cure date noted on the Program Violation Notice. The email message should explain why the service provider deems the audit incorrect. Appeals must pertain to the application of violations cited on the specific audit in question.

The descriptor “appeal valid” indicates that the CTIA deems the claim legitimate. “Appeal denied” indicates that the CTIA has found no error in the application of the audit standards and that the prescribed corrective action must be taken. Care Team specialists have no authority to answer challenges to the legitimacy of the audit standards themselves. Care Team specialists forward audit standards challenges directly to the dispute board, a body comprising CTIA and carrier representatives. Audits remain open in the CTIA IMM Portal while policy updates are considered.

# Industry Audit Standards

## H. Reading the Audit Standards

Rows display violations, severity levels, and corrective actions required. Columns at the right side of the table display “x” where violations apply. An “S” indicates that a violation applies only to recurring services.

<b>PSMS Web:</b>	Premium call-to-action employing an online MIN-entry page (the same rules apply to the PIN-entry page)
<b>PSMS Mob:</b>	Premium call-to-action employing a handset-based MIN-entry page (the same rules apply to the PIN-entry page)
<b>PSMS WAP:</b>	Premium call-to-action employing a handset-based button on an opt-in screen (the same rules apply to the PIN-entry page)
<b>PSMS Text:</b>	Premium call-to-action employing a mobile-originated keyword, (e.g., online, TV, print)
<b>Std. Rate:</b>	Standard rate call-to-action employing any opt-in mechanism
<b>Opt In:</b>	Handset verification MT message or double opt-in MT message
<b>Conf:</b>	Confirmation MT message
<b>HELP:</b>	HELP MT message, which must be delivered in response to the universal keyword HELP
<b>STOP:</b>	STOP MT message, which must be delivered in response to the universal keyword STOP

## I. Standard Rate and PSMS Advertising

Ref #	Violations	Sev	Actions Required	PSMS Web	PSMS Mob.	PSMS WAP	PSMS Text	Std. Rate
	<i>COMPLIANCE PRINCIPLES</i>							
A2-01	Contains or promotes inappropriate, illicit, or adult content	0	Remove references to inappropriate violent or adult content	x	x	x	x	x
A1-01	Failure to initiate double opt-in for WAP-type purchase flow	1	Require user to agree to offer conditions by selecting "Buy," "Purchase," or "Subscribe" on opt-in screen before displaying purchase confirmation screen			x		
A3-01	Product offering associated with stacked or incentivized marketing	1	Discontinue association with unrelated stacked or incentivized offers	x	x	x		
A3-01	Displays viewer data or hash code	1	Remove information identifying viewer	x	x			
A3-02	Improper use of the term <i>free</i>	1	Remove the term <i>free</i>	x	x	x	x	x
A4-01	Fails to match approved program in CSC registry	1	Remove unapproved program elements or update CSC registry	x	x	x	x	x
A5	Misuse of carrier endorsement or brand	2	Ensure carrier names, logos, icons, and colors comply with carrier brand use rules	x	x	x	x	x
A6	Cell-submit function located on affiliate-controlled page	2	Move cell-submit and PIN-entry functions to service provider-controlled page	x	x			
	<i>CALLS-TO-ACTION</i>							
B1-01	No product or service description displayed in main offer	1	Describe product or service in main offer	x	x	x	x	x
B1-02	No product quantity or service delivery frequency displayed in main offer	1	State product quantity or service delivery frequency in main offer	x	x	x	x	x
B2-01	No pricing in main offer	1	Display program pricing in main offer	x	x	x	x	
B2-01	Unclear or conflicting pricing	1	Display all price points clearly and conspicuously	x	x	x	x	
B3-01	Failure to disclose billing frequency in main offer	1	Disclose billing frequency in main offer	S	S	S	S	
B3-01	Unclear or conflicting billing frequency	1	Disclose billing frequency clearly	x	x	x	x	
B2-02	Failure to display pricing adjacent to cell-submit field	1	Display pricing within 125 pixels directly above or below cell-submit field	x				
			Display pricing within one line break of opt-in field		x	x		
B3-02	Failure to display billing frequency adjacent to cell-submit field	1	Display billing frequency within 125 pixels directly above or below cell-submit field	S				
			Display billing frequency within one line break of opt-in field		S	S		
B4-01	Failure to place or format disclosures in main offer on opt-in and purchase confirmation screens as prescribed	1	Display and arrange all disclosures in main offer using prescribed format			x		
B4-01	No explicit "Buy" or "Purchase" button on opt-in screen [one-off purchases]	1	Display explicit "Buy" or "Purchase" button on opt-in screen for one-off purchases			x		
B4-01	No explicit "Subscribe" button on opt-in screen [subscription services]	1	Display explicit "Subscribe" button on opt-in screen for subscription services			S		
B4-02	No purchase failure screen	1	Implement purchase failure screen with program information, failure details, and "Continue" button			x		
B1-03	No substitution details in main offer	2	Display substitution details for all carriers in main offer	x	x	x		
B2-01	Incorrect pricing format	2	Display full pricing clearly as numerals with dollar sign (\$)	x	x	x	x	



Ref #	Violations	Sev	Actions Required	PSMS Web	PSMS Mob.	PSMS WAP	PSMS Text	Std. Rate
B2-01	Language minimizes pricing	2	Remove terms that minimize price (e.g., "only," "just")	x	x	x	x	
B2-02	Pricing indistinguishable from background color	2	Alter color scheme to minimum color contrast value of 125	x				
			Increase point size and change color scheme to improve contrast		x	x		
B2-02	Pricing point size too small	2	Increase pricing point size to at least 12 point font	x				
			Increase pricing point size to at least 50% of button size			x		
B3-01	Unapproved billing frequency	2	Migrate to monthly billing frequency	S	S	S	S	
B3-01	Minimum subscription period	2	Remove stipulation for minimum subscription period	S	S	S	S	
B4-01	No "Cancel" button on purchase confirmation screen	2	Implement facility to abort purchase with "Cancel" button directly below opt-in button			x		
B4-02	Failure to describe failure reason clearly on purchase failure screen	2	Describe failure reason in clear terms (e.g., "Error 101" is unacceptable)			x		
B4-02	No "Continue" button on purchase failure screen	2	Implement "Continue" button to enable customer to return to initial offer			x		
	<i>TERMS AND CONDITIONS</i>							
C1-02	T&Cs indistinguishable from background color	1	Alter color scheme to minimum color contrast value of 125	x				
			Increase point size and change color scheme to improve contrast			x		
C1-02	No account holder authorization disclosure above fold	1	Disclose above fold at 1024x768 screen resolution that account holder must authorize all purchases	x				
			Display account holder authorization disclosure on opt-in and purchase confirmation screens			x		
C1-03	No link to comprehensive T&Cs	1	Display link to comprehensive T&Cs	x	x	x	x	x
C1-03	No clear indication of privacy policy	1	Display privacy policy or clearly labeled link to privacy policy	x	x	x	x	x
C1-03	Failure to display STOP keyword	1	Display STOP keyword in bold typeface	x	x	x	x	S
C1-03	No customer care contact information	1	Display HELP keyword in bold typeface	x	x	x	x	
C1-03	No mention of billing method	1	Disclose billing method	x	x	x	x	
C1-02	No facility for manual acceptance of T&Cs before purchase	2	Display checkbox or mechanism for user to accept T&Cs manually before purchase	x	x	x		
C1-03	No customer cancellation disclosure	2	Disclose clearly that service will continue until cancelled	S	S	S	S	
C1-03	Shortcode not disclosed in premium offer	2	Identify program sponsor by shortcode	x	x	x	x	
C1-01	T&Cs in motion or inaccessible using primary browser scroll bar	2	Eliminate all motion, scroll boxes, or frames obscuring T&Cs	x	x	x	x	
C1-02	Failure to display first three lines of T&Cs above fold	2	Display first three lines of T&Cs above fold at 1024x768 screen resolution	x				
C1-03	STOP keyword indistinguishable from T&Cs text	2	Display STOP keyword in bold typeface	x	x	x	x	S
C1-03	Customer care contact information indistinguishable from other T&Cs text	2	Display HELP keyword in bold typeface	x	x	x	x	
C1-03	No mention that message and data rates may apply	2	Disclose that message and data rates may apply	x	x	x	x	x



## J. Standard Rate Message Flow

Ref #	Violations	Sev	Actions Required	Opt In	Conf.	HELP	STOP
	<i>COMPLIANCE PRINCIPLES</i>						
A1-01	Automatic enrollment in multiple programs	1	Require user to complete dedicated opt-in for each separate program	x	x	x	x
A1-03	Unsolicited message delivered	1	Cease all messaging associated with program	x	x	x	x
A3-01	Misrepresentation of product offering	1	Reconcile, among all messages and ad, references to product type	x	x	x	
A3-01	Misrepresentation of product quantity	1	Reconcile, among all messages and ad, references to product quantity	x	x	x	
A3-02	Improper use of the term <i>free</i>	1	Remove the term <i>free</i>	x	x	x	x
A3-01	Failure to identify program clearly and consistently in all messages	2	Display program name consistently in all messages and ad	x	x	x	x
	<i>MESSAGE FLOW</i>						
D1, D2, D3, D5	Failure to send required service message	1	Deliver all required service messages	S	x	x	x
D1	Failure to provide user response command	1	Display response command	x			
D2, D3	Failure to display STOP keyword	1	Display STOP keyword		S	x	
D2, D3	No product or service disclosure	2	Disclose product or service		S	x	
D2, D3	No product quantity or service delivery frequency	2	State product quantity or service delivery frequency		S	S	
D1, D2, D3	No mention that message and data rates may apply	2	Disclose that message and data rates may apply	x	S	x	
D2, D3	No customer care contact information	2	Display HELP keyword in service messages and toll-free helpline or Web address in HELP MT message		S	x	
D5	Failure to confirm message flow termination	2	Inform user that no more messages will be sent				x

## K. PSMS Message Flow

Ref #	Violations	Sev	Actions Required	Opt In	Conf.	HELP	STOP
	<i>COMPLIANCE PRINCIPLES</i>						
A1-01	Automatic enrollment in multiple programs	1	Require user to complete dedicated opt-in for each separate program	x	x	x	x
A1-03	Unsolicited message delivered	1	Cease all messaging associated with program	x	x	x	x
A3-01	Misrepresentation of product offering	1	Reconcile, among all messages and ad, references to product type	x	x	x	
A3-01	Misrepresentation of product quantity	1	Reconcile, among all messages and ad, references to product quantity	x	x	x	
A3-01	Unclear or conflicting pricing	1	Reconcile, among all messages and ad, references to pricing	x	x	x	
A3-01	Unclear or conflicting billing frequency	1	Disclose billing frequency clearly	x	x	x	
A3-02	Improper use of the term <i>free</i>	1	Remove the term <i>free</i>	x	x	x	x
A3-01	Failure to identify program clearly and consistently in all messages	2	Display program name consistently in all messages and ad	x	x	x	x
	<i>MESSAGE FLOW</i>						
D1, D2 D3, D5	Failure to send required service message	1	Deliver all required service messages	x	x	x	x
D1, D2 D3	No pricing	1	Display program pricing	x	x	x	
D1, D2 D3	Failure to disclose billing frequency	1	Disclose billing frequency	S	S	S	
D1	Failure to provide user PIN or response command <i>after</i> pricing information <i>only</i>	1	Display PIN or response command <i>after</i> pricing information <i>only</i>	x			
D1	Failure to initiate double opt-in	1	Require user response before sending billed MT message	x	x		
D2, D3	Failure to display STOP keyword	1	Display STOP keyword		x	x	
D1, D2 D3	No product or service disclosure	2	Disclose product or service	x	x	x	
D1, D2 D3	No product quantity or service delivery frequency	2	State product quantity or service delivery frequency	S	S	S	
D1, D2 D3	No mention that message and data rates may apply	2	Disclose that message and data rates may apply	x	x	x	
D1, D2, D3	No customer care contact information	2	Display HELP keyword in service messages and toll-free helpline or Web address in HELP MT message	x	x	x	
D3	Incorrect use of HELP menu	2	Display program-specific HELP message when user opts into only one program			x	
D5	Failure to confirm service and message flow termination	2	Inform user that service has been terminated and that no more messages will be sent				x

# Appendix A: Compliant Examples

## L. Message Flow Examples

### L1. Standard Rate SMS Message Flow

#### Exhibit 1: Standard Rate One-Off

<p>Enter your phone number to receive today's SunTexts weather forecast for your area:          -----          or text TODAY to 12345</p> <p><b>Call-to-Action</b></p>	<p>Today's forecast:          Sunny, HI 51, LOW 35.</p> <p>Powered by SunTexts. Message and data rates may apply.</p> <p><b>Confirmation MT and Content Delivery</b></p>	<p>SunTexts forecasts on demand! Call 18001234567 for support. Reply STOP to cancel. Message and data rates may apply.</p> <p><b>HELP MT</b></p>	<p>SunTexts: You are not subscribed and will receive no further messages.</p> <p><b>STOP Confirmation MT</b></p>
--	--	--	--

#### Exhibit 2: Standard Rate Recurring (Mobile Opt-In)

<p>Text SUNNY to 12345 to receive daily SunTexts weather forecast alerts</p> <p><b>Call-to-Action</b></p>	<p>Thanks for joining SunTexts daily forecast alerts.</p> <p>Reply HELP for help, reply STOP to cancel. Message and data rates may apply.</p> <p><b>Confirmation MT</b></p>	<p>Today's forecast:          Sunny, HI 51, LOW 35.</p> <p>Powered by SunTexts.</p> <p><b>Content</b></p>	<p>SunTexts daily forecast alerts! Call 18001234567 for support. Reply STOP to cancel. Message and data rates may apply.</p> <p><b>HELP MT</b></p>
<p>Thanks! You are now opted out of SunTexts and will receive no further messages.</p> <p><b>STOP Confirmation MT</b></p>			

**Exhibit 3: Standard Rate Recurring (Non-Mobile Opt-In)**

<p>Enter your phone number to receive daily SunTexts weather forecast alerts:          --- - --- - ---</p> <p><b>Call-to-Action</b></p>	<p>SunTexts: Reply Y to receive daily forecast alerts, msg&amp;data rates may apply.</p> <p><b>Handset Verification MT</b></p>	<p>Thanks for joining SunTexts daily forecast alerts.</p> <p>Reply HELP for help, reply STOP to cancel. Message and data rates may apply.</p> <p><b>Confirmation MT</b></p>	<p>Today's forecast: Sunny, HI 51, LOW 35.</p> <p>Powered by SunTexts.</p> <p><b>Content MT</b></p>
<p>SunTexts daily forecast alerts! Call 18001234567 for support. Reply STOP to cancel. Message and data rates may apply.</p> <p><b>HELP MT</b></p>	<p>Thanks! You are now opted out of SunTexts and will receive no further messages.</p> <p><b>STOP Confirmation MT</b></p>		

**Exhibit 4: Premium Rate One-Off**

<p>Enter your phone number to receive one ringtone from RingFun for \$1.99:          ----~----~-----</p> <p><b>Call-to-Action</b></p>	<p>RingFun: \$1.99 for one ringtone. Reply Y to download!</p> <p>Reply HELP for help. Msg&amp;data rates may apply.</p> <p><b>Opt-In MT</b></p>	<p>RingFun: Thanks! You purchased one ringtone for \$1.99. Reply HELP for help, reply STOP to cancel. Msg&amp;data rates may apply.</p> <p><b>Confirmation MT</b></p>	<p>RingFun: Click the link to download your ringtone</p> <p><a href="http://www.ringfun.com/ringtones/12345">www.ringfun.com/ringtones/12345</a></p> <p><b>Content MT</b></p>
<p>RingFun: \$1.99 per ringtone. Call 18001234567 for support. Reply STOP to cancel. Msg&amp;data rates may apply.</p> <p><b>HELP MT</b></p>	<p>RingFun: You are not subscribed and will receive no more messages or charges.</p> <p><b>STOP Confirmation MT</b></p>		

**Exhibit 5: Premium Rate Subscription**

<p>Enter your phone number to receive 30 ringtone credits per month from RingFun for \$9.99/month:          --- - --- - ---</p> <p><b>Call-to-Action</b></p>	<p>RingFun: \$9.99/month for 30 ringtone credits. Reply Y to join!</p> <p>Reply HELP for help. Msg&amp;data rates may apply.</p> <p><b>Opt-In MT</b></p>	<p>RingFun: You're subscribed for \$9.99/month for 30 ringtone credits.</p> <p>Reply HELP for help, reply STOP to cancel. Msg&amp;data rates may apply.</p> <p><b>Confirmation MT</b></p>	<p>RingFun: Click the link to browse and download ringtones:   <a href="http://www.ringfun.com/ringtones/catalog">www.ringfun.com/ringtones/catalog</a></p> <p><b>Content MT</b></p>
<p>RingFun: \$9.99/month for 30 ringtone credits. Call 18001234567 for support. Reply STOP to cancel. Message and data rates may apply.</p> <p><b>HELP MT</b></p>	<p>Your RingFun subscription renews tomorrow: \$9.99/month for 30 ringtone credits. Reply STOP to cancel. Reply HELP for help. Msg&amp;data rates may apply.</p> <p><b>Renewal Reminder MT</b></p>	<p>RingFun: You just renewed for 30 more ringtone credits! \$9.99/month.</p> <p>Reply HELP for help, reply STOP to cancel. Msg&amp;data rates may apply.</p> <p><b>Renewal Confirmation MT</b></p>	<p>RingFun: You successfully unsubscribed and will receive no more messages or charges.</p> <p><b>STOP Confirmation MT</b></p>

## M. Abbreviations

### M1. English-Language Abbreviations

Term or Phrase:	Abbreviation Guidelines
Message	Msg
Per	/
Text	Txt
Per Month	/mo ea. mo. /mth
Message and Data Rates May Apply	Msg&Data Rates May Apply Msg&Data Rates May Aply

### M2. Spanish-Language Abbreviations

Term or Phrase:	Abbreviation Guidelines
Mensaje	Msj
Por	/
Semana	Sem
Aplicar	Apl

## N. Spanish-Language Disclosure Examples

### Account holder authorization

- ▶ Todas las compras deberán ser autorizadas por el titular de la cuenta.
- ▶ Debe ser el propietario de la cuenta o tener la autorización del titular de la cuenta para suscribirse
- ▶ Al hacer click en "ENVIAR", reconoces que eres propietario o tienes permiso del propietario de la cuenta correspondiente al número celular introducido
- ▶ El titular de la cuenta debe autorizar todas las compras

### Billing method

- ▶ Los cargos aparecerán en la factura de teléfono celular o serán deducidos del balance de cuenta prepago
- ▶ Los costos se aparecerán en su cuenta de teléfono móvil o se deducirá de su cuenta de prepago
- ▶ Los cobros serán cargados a tu cuenta mensual de servicio celular o deducidos del balance de tu servicio prepago

### Message and data rates

- ▶ Costo de mensajería y datos pueden ser aplicados
- ▶ Cargos de mensajes y datos pueden aplicar
- ▶ Pueden aplicar cargos por mensajes de texto y uso de data
- ▶ Las tasas de mensajes y datos pueden aplicar

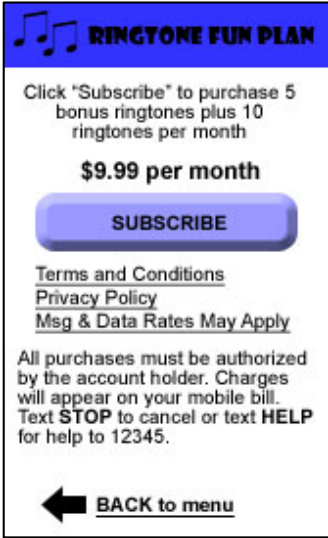
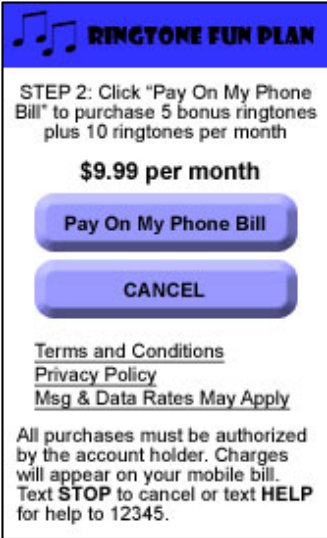
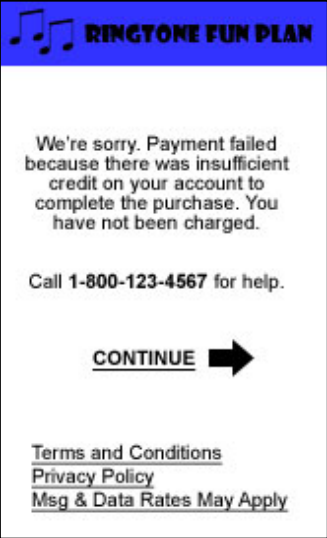
### Opt-out information

- ▶ Para cancelar envía la palabra STOP al [shortcode]
- ▶ Usted puede darse de baja al enviar STOP

### Help information

- ▶ Para ayuda envía HELP al [shortcode]
- ▶ Puede textear AYUDA al [shortcode] para asistencia

## O. Compliant WAP Purchase Flow Example

 <p><b>Opt-In Screen</b></p>	 <p><b>Purchase Confirmation Screen</b></p>	 <p><b>Purchase Failure Screen</b></p>
<p>All disclosures in the main offer must be displayed, with no intervening text, in the following order:</p> <ul style="list-style-type: none"> <li>Program description, including product or service disclosure and product quantity</li> <li>Price and subscription term, if applicable</li> <li>"Buy," "Purchase," or "Subscribe" button</li> <li>Terms and conditions link</li> <li>Privacy policy link</li> <li>Message and data rates disclosure</li> </ul> <p>Summary terms and conditions must include the following:</p> <ul style="list-style-type: none"> <li>Billing method</li> <li>Opt-out information</li> <li>Program sponsor (shortcode)</li> <li>Help information</li> <li>Account holder disclosure</li> </ul>	<p>All disclosures in the main offer must be displayed, with no intervening text, in the following order:</p> <ul style="list-style-type: none"> <li>Program description, including product or service disclosure and product quantity</li> <li>Price and subscription term, if applicable</li> <li>"Pay on My Phone Bill" button</li> <li>"Cancel" button</li> <li>Terms and conditions link</li> <li>Privacy policy link</li> <li>Message and data rates disclosure</li> </ul> <p>Summary terms and conditions must include the following:</p> <ul style="list-style-type: none"> <li>Billing method</li> <li>Opt-out information</li> <li>Program sponsor (shortcode)</li> <li>Help information</li> <li>Account holder disclosure</li> </ul>	<p>The main offer must include the following:</p> <ul style="list-style-type: none"> <li>Purchase failure message with failure reason</li> <li>Purchase failure reason</li> <li>Help information</li> <li>"Continue" button</li> <li>Privacy policy link</li> <li>Message and data rates disclosure</li> <li>Account holder disclosure</li> </ul>



## Appendix B: Point-of-Sale Opt-In Requirements

CTIA and its carrier members recognize the need for point-of-sale (POS) opt-ins. Accordingly, content providers may employ POS opt-ins for standard rate programs when the programs meet the following conditions:

- ▶ **Users must confirm their participation with an MO message.** Before users are subscribed to any POS program, they must either reply to a pushed MT message or send a keyword.
- ▶ **Initial MT messages requesting opt-in confirmation must be sent within 48 hours of a POS.** After customers agree to receive text messages on location, they must receive a pushed MT message requesting service confirmation in a timely manner (within 48 hours).
- ▶ **Opt-in confirmation MT messages must include language reminding users of the location where they signed up for text services.** Initial MT messages requesting opt-in confirmation must remind users about their interest in the text program. For example, a message might state, “You requested Shoe City messages at your local store! Reply Y to confirm your subscription. Message and data rates may apply.”
- ▶ **All messages resulting from a POS opt-in must pertain to a single program.** Simultaneous enrollment in multiple programs is prohibited. A customer must receive only messages relevant to the location where he or she opted into the text program. For example, a customer signing up for Shoe City text alerts should not be opted into a text subscription for Handbag City without a second opt-in.
- ▶ **Shared shortcodes are ineligible for POS campaigns.** Only shortcodes employed by a single content provider representing a single brand will be allowed to use POS opt-ins.
- ▶ **Content providers wishing to employ POS opt-ins must be pre-approved by carriers.** All content providers implementing POS opt-ins are subject to additional vetting at the discretion of CTIA and its carrier members.