

## HELP NOTE

### **Help Note on determining whether you are a network operator for the purposes of the 11th Edition of the Code Version 1: November 2006**

#### **Introduction**

This PhonepayPlus Help Note is to assist stakeholders in determining whether they are a network operator or service provider under the 11th Edition of the Code of Practice. This Help Note is a non-binding document and does not form part of the Code.

Service providers and network operators seeking clarity about the application of any Code provision to a particular service are strongly advised to contact the Executive **before** starting to operate the service.

Paragraphs 11.3.3 to 11.3.7 of the Code provide definitions of a network operator, service provider and information provider. These are explained below.

#### **What is a lead network?**

The Code defines a “lead network” as an electronic network provider which is obliged to obtain approval for its total metering and billing system in accordance with Condition 11 of the general conditions of entitlement.

Under this Condition, electronic communications network providers which provide publicly available telephone services and have a relevant turnover exceeding £40million for the financial year are obliged to apply for approval of their metering and billing systems.

#### **Who else can be a network operator?**

We have not limited our definition of a network provider to lead networks. In addition, a company will be considered to be a network operator if it has a direct network connection and direct billing arrangements with a lead network provider.

The evidence PhonepayPlus will expect to see from a company claiming to have direct network connection is the following:

- A copy of the standard interconnect agreement with the lead network operator detailing arrangements for the interconnection of switching equipment for the conveyance between the lead network and the company. This should cover evidence that arrangements are in place for dealing with any artificial inflation of traffic or equivalent.
- Evidence of premium rate number allocations from Ofcom.
- Statement showing how the company can fulfill the network operator responsibilities and requirements under the PhonepayPlus Code.

Paragraph 11.3.3 iii of the Code makes clear that the other parties which PhonepayPlus will consider to be a network operator are those communication providers (sometimes referred to as “virtual networks”) that do not have a physical network but who have arrangements with a lead network and bill the public direct. Such companies also need to be able to demonstrate to PhonepayPlus that they can fulfil the responsibilities and requirements placed upon them as network providers by the Code.

### **Voice over Internet Protocol (VoIP)**

The 11th Edition of the Code contains a VoIP provision (at para 11.3.4) which identifies the provider of the access facility as the network operator. The identification of that entity as the network operator only arises where a premium rate service is accessible only through VoIP. If it is accessible other than through VoIP there will be a network operator through the normal definitions.

### **What about aggregators/bureaux?**

There is a provision in the Code (at para 11.3.5) that specifically removes those who aggregate or collate content, such as aggregators and premium rate bureaux, from the definition of network operators. They remain service providers. The provision in the Code applies both to the mobile and fixed line sides of the industry.

### **Compliance advice**

Compliance advice is available, free of charge and in writing, from the Executive. Please note that Executive advice is not binding on the Board, although a record of advice is maintained and taken into account should a service later be found to be in breach of the Code.

### **Further information**

Contacting the Executive:

PhonepayPlus  
Clove Building  
4 Maguire Street  
London  
SE1 2NQ

Tel: 020 7940 7474  
Fax: 020 7940 7456  
E-mail: [compliance@phonepayplus.org.uk](mailto:compliance@phonepayplus.org.uk)  
Website: [www.phonepayplus.org.uk](http://www.phonepayplus.org.uk)