

The Straits Times Forum

11 September 2020

M1's contract termination policy onerous and unfair

We refer to the forum letters by Dr Jeremy Teo Chin Ghee (Telco's unfair policies over non-renewal of service contract, 27 Aug and Telco's business practice unfair, especially to Pioneer Generation, 4 Sep), and by M1 (Advance notice given to M1 customers on contract end date, 3 Sep).

The Consumers Association of Singapore (CASE) shares Dr Teo's concerns regarding M1's practice of requiring customers to call in on a specific day in relation to the contract expiry date to terminate their fibre broadband contracts.

Based on M1's reply, the notice of termination can only be given exactly seven days before the contract ends.

CASE finds M1's termination policy too onerous and unfairly prejudices consumers. It is unfair to require consumers to make the request to terminate the contract only on a specific day, especially for long-term contracts.

Consumers should be allowed to terminate their contract on the end date without the contract being extended and incurring additional subscription charges, as long as they have given sufficient notice beyond the minimum period stipulated in the contract. In this case, consumers should be allowed terminate their broadband contracts as long as they give a minimum of seven days' notice. We urge M1 to review their policy to be fair and transparent to consumers.

CASE also notes that the notice periods for termination differ among the main telecommunication companies. For instance, SingTel does not specify a minimum notice period while Starhub requires a notice period of at least one month.

We advise consumers to scrutinise the terms and conditions, and pay special attention to clauses related to termination.

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