

General Regulatory Conditions and Requirements of the Digital Content Service

One. General provisions

1.1. The Present General Conditions and Requirements shall be complied with when regulate the relations related to providing a content service through communications network on the bases of the articles 8.1 and 9.1.2 of the Communications Law, and article 15.16.3 of the Law on the Special licensing of Business activities.

1.2. The Communications Regulatory Committee (herein further referred to as “Regulatory Committee”), communication service provider, content aggregator, content supplier, web site service provider and content hosting service provider shall comply with this regulation in the relations related to content service.

Two. Definitions of terms

2.1. “Content” means product that transferred characters, signals, texts, pictures, graphics, sounds, tones, moving images and all types of information those are being transmitted through communications network into electronic shape; Following shall not be considered as content:

- E-mail, bulk and spam;
- Communication between individuals (for instance, telephone talk, fax IP telephone talk etc.,)

2.2. “Communications service provider” (herein further referred to as “Service provider”) means a legal entity, with special license to conduct communications service, that is qualified to transmit content transmission channel or content service to its customers, or able to do so using other’s network; Those include following service providers:

- Mobile communications service provider;
- Internet service provider;
- IP Television service provider;
- Mobile Television service provider;
- Other service providers that enable to transmit digital content.

2.3. “Content aggregator” means a legal entity with a special license to run content service with a purpose of transferring, adjusting and selling the content supplier’s product using its own equipments and software in order to transmit through service provider’s network;

2.4. “Content supplier” means person who possesses copyright of the product or individual or legal entity that supply content aggregator with content after development content; Those include: information providers such as singers, composers and authors, and content creators using software;

2.5. “Content hosting service provider” means provider that places web and all types of digital data on its own server, and enables customers to access those through communications network;

2.6. “Web site service provider” means citizen and legal entity those deliver news, information and all types of other content to public using communications network.

Three. Special License

3.1. Special license for content service shall be issued in accordance with the Law on the Special licensing of Business activities, the Communications Law and Conditions, Requirements and other regulations adopted by the Regulatory Committee in conformity therewith.

3.2. Regulatory Committee shall keep the conditions and requirements of the special license open.

3.3. Following principles shall be applied with when issuing Special license:

3.2.1. to base on the research result about the market size, population and its density, and demand and competition condition;

3.2.2. to be independent, transparent and fair;

3.2.3. to issue on nondiscriminatory bases.

3.4. Special license for content service shall be issued in a following types:

3.4.1. content hosting service;

3.4.2. content aggregator.

- Online (shall be a person that is able to conduct any type of digital content activities on both online and offline form);
- Mobile (shall be person that is able to conduct digital content service which was created in compatibility with the mobile menu and operating system of the mobile phone user).

3.5. Web service provider shall get registered with the Regulatory Committee if the average customers access to its web exceed 3000 per day.

3.6. Web site that is conducting an activities on commercial purpose using digital content shall be considered as content aggregator.

3.7. Special license holder is prohibited to transfer its rights, obligations, liabilities, and relations connected with the its main activities to others.

Four. Requirements for content

It is prohibited to create or spread contents which violate the following and other relevant legislations:

4.1. contained erotic type of contents as specified in sections 5.1, 5.2, article 5 of the Law on the Fight against pornography, and article 123 of the Criminal code, and expressed pornography;

4.2. advertised and expressed those specified in section 11.4, article 11 of the Law on the Prevention from Crime;

4.3. conducted advertisement on the subject which could violate national solidarity as specified in article 86 of the Criminal Code;

4.4. advertised terrorism as specified in article 178³ of the Criminal Code;

4.5. encouraged or enticed public disorder as specified in article 179 of the Criminal Code;

4.6. advertised religious cruel doctrine as specified in article 144 of the Criminal Code;

4.7. expressed those specified in section 13.1.2, article 13 of the Law on the Control over the Circulation of Drugs and Substances with influence on mind.

4.8. created or spread advertisements specified in articles 6.5.5, 6.5.7, 6.5.8, 7, 13.4, 13.6, 13.8, 14, 16 and 17.2 of the Advertisement Law;

4.9. used the creation without permission from the author or right holder, violated the sections 12.1, 12.2, 20.1, 21.1, 22.1 and 25.1 of the Law on the Copyright and other related rights;

4.10. advertised alcohols as specified in section 9.2, article 9 of the Law on the Fight against Drinking;

4.11. caused negative influence on children's behavior and morality as specified in section 1.6, article 13 of the Law on the Protection of Children's right;

4.12. expressed those specified in section 6, article 6 of the Law on the Protection of Children's right;

4.13. contained erotic type of contents as specified in sections 7.2.3, article 7 of the Law on the Fight against pornography.

Five. Requirements for Service provider

The Conditions and Requirements for Service Provider:

5.1. Service provider shall establish common conditions and requirements for its content aggregator in compliance with equal condition and opportunity, on non-discriminatory bases, and keep it open to public. Such conditions and requirements shall be overviewed by the Regulatory Committee.

5.2. Transmission capacity that does not reduce the content quality and change content shall have established.

5.3. Service provider other than internet service provider may not be a content aggregator himself.

5.4. When registering a new customer, it should be possible to limit the access of the customers to access, watch and download the contents specified in articles 4.11-4.13 of this Conditions and Requirements at the request of the customer.

5.5. Mobile communication service provider shall keep the possibility open for aggregator to have its own payment transaction system.

5.6. Income of the mobile communication service provider for content service shall not exceed 20 percent of its income if it has its own payment transaction system, or 10 percent in other cases (see table).

Table 1. Content service income distribution

Participating parties	If using service providers payment transaction system	In other cases
Service provider	<20%	<10%
Content aggregator	>80%	>90%

5.7. Next version of Internet IP address (Ipv6) shall be applied in accordance with the State policy.

5.8. Internet service provider shall be obliged not to connect internet address (IP address) announced by the Regulatory Committee as faulty internet address through its server to internet.

5.9. to provide customers with guidance, recommendation, price and tariffs information which clearly reflect the distinction between its main service and content service.

5.10. Content service fee shall be informed to customers in advance and the customer shall be able to monitor his payment in each content aggregator.

5.11. Required information related to content service shall be submitted to the Regulatory Committee.

Six. Conditions and requirements for content aggregator

The Conditions and Requirements for Content Aggregator:

6.1. Content aggregator shall establish common conditions and requirements for its content supplier in compliance with equal condition and opportunity, on non-discriminatory bases, and keep it open to public. Such conditions and requirements shall be overviewed by the Regulatory Committee.

6.2. Income to be earned from content service shall be not less than 50 percent.

6.3. shall be obliged to monitor whether the content to be delivered to customer violate the article 4 of the present General Conditions and Requirements and shall provide content which meet the quality requirement.

6.4. In the event the article 4 of the present General Conditions and Requirements is violated, technical possibility and condition to immediately intercept the violation shall be created.

6.5. When providing content service specified in articles 4.11-4.13 of the present General Conditions and Requirements, customers shall be informed in advance that the content is designed for

those 18 years old or over and it shall be possible to access the content service with certain limit at the customer's request.

6.6. Information such as contact information, address of the representative who is responsible for receiving the opinions and complaints from customers, and telephone number shall be open to public.

6.7. Content service fee shall be informed to customer in advance and the service provider shall make the customer able to monitor his payment in each content aggregator.

6.8. Required information related to content service shall be submitted to the Regulatory Committee.

Seven. Conditions and Requirements for Web site Service provider

The Conditions and Requirements for Web site Service provider:

7.1. to get registered with the Regulatory Committee if the average customers' access to its web exceed 3000 per day.

7.2. to comply with the article 4 of this present General Conditions and Requirements.

7.3. If customers are able to create content or there is an section for the customers to leave their opinion, following regulations should be complied with for its operation:

7.3.1. to mandatorily use the word-filter software operated by the Regulatory Committee;

7.3.2. to provide the customers who agreed the conditions and requirements that reminds the use of service in accordance with Mongolian relevant legislations with possibility to create content;

7.3.3. in case customer considers the content created by other customers illegal or having negative impact on public ethics, to create possibility for the customer to express opinion or to erase such content depending from the number of the opinions;

7.3.4. to place the customer's IP address publicly visible on top of the content created by the customer;

7.3.5. to erase the content if deems the content created by the customer violates provisions of the chapter 4;

7.4. Person whose interest has been violated or the web site service provider may submit the IP address of the customer who created a content which violated chapter 4 of the present General Conditions and Requirements to the Regulatory Committee.

7.5. Web site service provider, when providing content service specified in sections 4.11- 4.13, shall remind the customers that the content is designed for those 18 years old and over.

Eight. Conditions and requirements for Content hosting Service provider

The Conditions and Requirements for Content hosting Service provider:

8.1. not to place content which violated chapter 4 of the present General Conditions and Requirements.

8.2. to submit required information related to content service to the Regulatory Committee.

8.3. to prepare and make shift to the next version of Internet address (IPv6) in accordance with State Policy.

Nine. Control

9.1. The Regulatory Committee shall implement the control provided in sections other than 4 of this General Conditions and Requirements.

9.2. When implementing control, the Regulatory Committee shall use the following methods:

9.2.1. to conduct control on the bases of the application or complaint by the customers and organizations;

9.2.2. to have required report or information prepared by content aggregator, hosting and web site service providers.

9.3. Content control specified in section 4 of this General conditions and requirements shall be conducted by competent control organizations specified in laws.

9.4. The Regulatory Committee shall register and announce the faulty IP address received from web site service provider or person whose interest has been violated, and shall take measures in accordance with relevant legislations.

Ten. Complaint and dispute settlement

10.1. Special license holders shall have their own regulations on the receipt and resolution of applications and complaints, and openly inform the public of their addresses and telephones to be used for applications and complaints.

10.2. Disputing parties (includes service provider, customer or service providers) shall seek to settle applications and complaints in their level, and may submit them to the Regulatory Committee.

10.3. Under the article 31 of the Communications Law, the Regulatory Committee, when settling complaints and disputes within its power, shall comply with the "Regulation on the receipt, overview and settlement of Complaint and Dispute".

Eleven. Liabilities

11.1. In the event if there is a violation of this General Conditions and Requirements, the Regulatory Committee, depending on the type of violation, shall impose economic liabilities specified in the special license agreement or take following necessary measures:

11.1.1. to issue notice of assignment or demand with deadline about redress measures;

11.1.2. to inform relevant control authorities for administrative penalty;

11.1.3. to send reminder of suspension or cancelation of special license;

11.1.4. to suspend the special license;

11.1.5. to invalidate the special license.

11.2. The Regulatory Committee, on the bases of the complaints and applications from customer or relevant authorities, shall give notice to relevant legal authorities, content aggregator and web site service provider.

11.3. The Regulatory Committee shall inform the content aggregator and web site service provider that they need to take following measures on the official decision and opinion about the violation of legislation received from relevant legal authorities.

11.3.1. to take measures to redress the violation within 24 hours after the receipt of the notice and respond back;

11.4. In the event the violation is not redressed before the deadline, the Regulatory Committee shall give notice of temporary suspension of service of content aggregator and web site service provider to service provider.

11.5. The Service provider, in the event the notice is given from the Regulatory Committee, shall take the following measures within 24 hours.

11.5.1. to inform the content aggregator and web site service provider of the temporary suspension of their service;

11.5.2. to stop the service of the content aggregator and web site service providers and inform the Regulatory Committee of it;

11.6. In the event the above mentioned violation is repeated, the Regulatory Committee shall take measures specified in provisions 11.1.3-11.1.5 of the present General Conditions and Requirements.

11.7. The Regulatory Committee shall inform the relevant parties and public of the violation and decision issued to redress the violation from time to time.

11.8. The Regulatory Committee shall use business and customer information received from content aggregator, web site service provider and service provider for only regulatory purposes.