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**BY EMAIL**

**Voluntary commitments by Sky UK Limited in relation to the provision of access control services**

I refer to Ofcom's Review of Sky's Access Control Services Regulation.

Sky voluntarily makes the attached commitments to Ofcom, which will also be published on our corporate website today. These commitments will be effective from the date on which Ofcom discontinues the Access Control Continuation Notice until Ofcom notifies Sky that they are no longer in effect. Sky will not depart from these commitments unless Ofcom has given Sky its prior written consent to do so.

The fact that certain services are identified specifically in these commitments cannot and should not be taken to mean that Sky will not support the provision via its set top boxes of services that are not so identified. The purpose of identifying specific services is to provide platform users with assurance that, at minimum, the identified services will be supported.

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## **Voluntary commitments by Sky UK Limited in relation to the provision of access control services**

### **A. Monitoring**

Sky agrees to:

1. Publish these commitments and Sky's Standard Terms on Sky's corporate website (with the exception of certain technical documents which Sky will provide to third parties once they have entered into a non-disclosure agreement with Sky).
2. Notify Ofcom in writing in advance of making any changes to (i) Sky's Standard Terms for the provision of Application Signing Services or Authentication Services or (ii) Sky's standard terms for the provision of Technical Services.
3. Provide on written request from Ofcom all information required to monitor its adherence to these commitments.
4. Notify Ofcom in writing each time a request is received from (i) a New Customer seeking supply of Application Signing Services or Authentication Services, and (ii) a prospective new customer seeking supply of Technical Services from Sky, within 30 days of having received such a request.

### **B. Current Generations of Sky set top boxes**

In relation to Current Generations of Sky set top boxes Sky agrees:

5. To provide Application Signing Services and Authentication Services to any third party who requests such services, which are required to enable that third party to provide interactive services including, but not limited to:
  - services that enable viewers to access and select alternative linear video feeds broadcast via digital satellite;
  - services that enable viewers to access and select alternative audio soundtracks;
  - services that enable viewers to access and select digital text services (such as digital text services providing news, sports news, weather bulletins, travel news and lottery results);
  - services that enable viewers to access and play games;
  - services that enable viewers to access and use betting services;
    - services that enable viewers to select sub-titles in their language of choice;
    - services that enable viewers to vote;
    - Commercial Watermarking; and
    - Pay TV Customer Services.
6. To continue to provide Application Signing Services to Existing Access Control Services Customers pursuant to such customers' current agreements for those services, until expiry or earlier termination of such agreements in accordance with their terms.
7. To incorporate the services specified at paragraph 5 of these commitments and the maximum charges specified at Annex 1 of these commitments into Sky's Standard Terms.
8. To provide Sky's Standard Terms to third parties on request.



9. On request from prospective New Customers, to offer to provide Application Signing Services and/or Authentication Services on Sky's Standard Terms and at charges no greater than those set out in Annex 1 as soon as reasonably practicable.
10. To incorporate into Sky's Standard Terms a right for counterparties to have an option upon expiry of each Application Signing Services and/or Authentication Services agreement, to extend that agreement for a further period of three years on either (i) the same terms as their existing agreement (subject to the qualifications in paragraph 13) or (ii) Sky's then-current Standard Terms.
11. Within 21 days of these commitments coming into force, to write to each current holder of an Application Signing Services agreement to offer to include in each such agreement a right for counterparties to have an option upon expiry of their Application Signing Services agreement, to extend that agreement for a further period of three years on either (i) the same terms as their existing agreement (subject to the qualifications in paragraph 13) or (ii) Sky's then-current Standard Terms. In the event that counterparties do not accept that offer within 60 days, such offer will be deemed to have lapsed.
12. Not to alter Sky's Standard Terms without reasonable justification.
13. Where a counterparty with a contract for the supply of Application Signing Services or Authentication Services exercises an option to extend that agreement for a further three year period on the same terms as their existing agreement, those terms may be varied by Sky where Sky has reasonable justification for making such variation(s).
14. For the avoidance of doubt, the purpose of the commitments set out at paragraphs 12 and 13 above is to enable Sky to change the terms on which it provides Application Signing Services and Authentication Services in order that they properly reflect the technologies and processes used by Sky to enable third parties to deliver interactive services via Sky set top boxes. By way of example, Sky may need to amend such terms in the following circumstances:
  - to reflect a change in the underlying technology used to provide the Application Signing Services and/or Authentication Services;
  - to reflect the introduction of new functionality which forms part of the Application Signing Services and/or Authentication Services offered by Sky; or
  - to reflect any necessary operational changes to the provision of Application Signing Services and Authentication Services e.g. in relation to testing of interactive applications.
15. To ensure that Sky's Standard Terms, including charges, (i) are fair and reasonable, and (ii) do not discriminate unduly among users of Sky's Application Signing Services or Sky's Authentication Services (including Sky's own use of those services).

#### **C. Future Generations of Sky set top boxes**

In relation to Future Generations of Sky set top boxes Sky agrees:

16. To provide Technical Services to any broadcaster who requests such services which are required to enable that broadcaster to provide the following interactive services via an on screen symbol:
  - services that enable viewers to access and select alternative linear video feeds broadcast via digital satellite;
  - services that enable viewers to access and select alternative audio soundtracks;





- services that enable viewers to access and select digital text services (such as digital text services providing news, sports news, weather bulletins, travel news and lottery results);
  - services that enable viewers to access and play games;
  - services that enable viewers to access and use betting services;
    - services that enable viewers to select sub-titles in their language of choice;
    - services that enable viewers to vote; and
    - Commercial Watermarking.
17. To provide Technical Services to any pay TV distributor who requests such services which are required to enable that pay TV distributor to provide *Pay TV Customer Services as soon as reasonably practicable*.
18. To provide Sky's standard terms for the provision of Technical Services to a broadcaster or pay TV distributor on request, and to publish such standard terms on Sky's corporate website (with the exception of certain technical documents which Sky will provide to broadcasters/pay TV distributors once they have entered into a non-disclosure agreement with Sky).
19. To offer to provide Technical Services to broadcasters and pay TV distributors at charges no greater than those set out in Annex 2 and on Sky's standard terms which will be fair and reasonable, and will not discriminate unduly among users of those services (including Sky's own use of those services).
20. To incorporate into Sky's standard terms for the provision of Technical Services a right for counterparties to have an option upon expiry of each agreement, to extend that agreement for a further period of three years on either (i) the same terms as their existing agreement (subject to the qualifications in paragraph 22) or (ii) Sky's then-current standard terms.
21. Not to alter Sky's standard terms for the provision of Technical Services without reasonable justification.
22. Where a counterparty with a contract for the supply of Technical Services exercises an option to extend that agreement for a further three year period on the same terms as their existing agreement, those terms may be varied by Sky where Sky has reasonable justification for making such variation(s).
23. For the avoidance of doubt, the purpose of the commitments set out at paragraphs 21 and 22 above is to enable Sky to change the terms on which it provides Technical Services in order that they properly to reflect the technologies and processes used by Sky to enable broadcasters to deliver interactive services via Sky set top boxes. By way of example, Sky may require amendments to be made in the following circumstances:
- to reflect a change in the underlying technology used to provide the Technical Services;
  - to reflect the introduction of new functionality which forms part of the Technical Services; or
  - to reflect any necessary operational changes to the provision of Technical Services e.g., in relation to testing of interactive applications.

#### **D. Exclusions**

For the avoidance of doubt, these commitments do not require Sky to permit:

- (a) the provision of video services via Sky set top boxes by means other than digital satellite; or
- (b) the making available of an electronic programme guide or similar navigation mechanism via Sky set top boxes



in relation to (i) Current Generations of Sky set top boxes and/or (ii) Future Generations of Sky set top boxes.

#### **Definitions for the purpose of these Commitments**

**“Application Signing Services”** means the services provided by Sky in order to enable interactive applications to be validly signed by or on behalf of a broadcaster, by which broadcasters and digital interactive television service (“DITS”) providers are provided with the signing tools, keys and certificates that enable them to sign their own interactive applications in order that those interactive applications are recognised by Current Generations of Sky set top boxes and permitted access to Current Generations of Sky set top boxes. These services provide a means for broadcasters and DITS providers to offer interactive services that run on Current Generations of Sky set top boxes.

**“Authentication Services”** means the services provided by Sky in order to enable a third party to operate a return path (i.e. which enables ‘two-way’ interactions) in relation to Current Generations of Sky set top boxes, which may then be utilised by interactive applications broadcast by broadcasters and DITS providers who are in receipt of Application Signing Services from Sky. Access to a return path is required when running interactive services which involve the viewer inputting information using their remote control which is then transmitted to service providers – for example, voting services, entries in competitions, charitable donations, and retail transactions.

**“Commercial Watermarking”** means the display of a visual identifier on the screen (such as, but not limited to a pint glass symbol), which is specifically broadcast to commercial premises, so that the pay-TV distributor of that channel can verify whether a commercial premise has purchased the appropriate commercial subscription from that pay-TV distributor.

**“Current Generations of Sky set top boxes”** means Sky set top boxes which Sky confirms are supported for use with the Sky digital satellite platform and which include the ability to execute appropriately signed OpenTV o-code applications.

**“Existing Access Control Services Customer”** means a party to an agreement for Application Signing Services and/or Authentication Services with Sky on the date that these commitments come into force.

**“Future Generations of Sky set top boxes”** means future Sky set top boxes which Sky confirms are supported for use with the Sky digital satellite platform and which support the provision of interactive applications utilising an alternative technology to OpenTV v1.2/v1.3.

**“New Customer”** means a third party that does not hold an agreement for Application Signing Services or Authentication Services with Sky on the date that these commitments come into force.

**“Pay TV Customer Services”** means services provided by or on behalf of a pay TV distributor that enable viewers to:

- access information about their account with that pay TV distributor, including information about the pay TV products to which they have subscribed or purchased on a pay-per-view basis;
- view the invoices issued to them by that pay TV distributor;
- subscribe/unsubscribe to/from additional pay TV products provided by that pay TV distributor; and
- register as a new customer of that pay TV distributor (in order that they may then subscribe to pay TV products or make impulse pay-per-view purchases from that pay TV distributor).





**"Standard Terms"** means Sky's standard terms for the provision of Application Signing Services and Authentication Services as amended from time to time. Sky's standard terms for the provision of Application Signing Services as at the date of these commitments are set out in Annex 3. Sky's standard terms for the provision of Authentication Services as at the date of these commitments are set out in Annex 4. The Standard Terms included at Annex 3 and Annex 4 shall be Sky's standard terms prevailing as at 2 April 2015.

**"Technical Services"** means the services provided by Sky which enable interactive applications to be made available on Future Generations of Sky set top boxes, and for such interactive applications to facilitate "two-way" interactions.



## Annex 1

### Maximum charges in relation to Current Generations of Sky set top boxes

| Service provided by Sky      |  |
|------------------------------|--|
| Application Signing Services | £100,000 per annum<br><br>and<br><br>Additional Charges (where applicable – see table below).  |
| Authentication Services      | An amount which reflects a share of (1) the hardware, software and human resource costs in establishing the technology infrastructure utilised for the provision of Authentication Services, and (2) the anticipated operating and on-going development costs associated with the provision of those Authentication Services;<br><br>and<br><br>Additional Charges (where applicable – see table below). |

### *Additional Charges*

| Service provided by third party to end-user  |      |
|--|------|
| Services that enable viewers to access and select alternative linear video feeds broadcast via digital satellite | Zero |
| Services that enable viewers to access and select alternative audio soundtracks                                  | Zero |
| Services that enable viewers to access and select digital text services  | Zero |
| Services that enable viewers to select subtitles in their language of choice                                     | Zero |
| Commercial Watermarking  | Zero |
| Pay TV Customer Services   | Zero |



|                                    |  |
|------------------------------------|--|
| E-mail Services                    | 4p per authentication  |
| Voting Services                    | 4p per authentication  |
| SMS Services                       | 4p per authentication  |
| Marketing Registrations            | 10p per set of details collected   |
| Retail Transactions                | (i) 4p per authentication; and<br>(ii) 2% of value of goods sold   |
| Chargeable Calls                   | The greater of 4p per chargeable call or 5% of the call charges  |
| Charitable donations               | Zero   |
| Gambling Services                  | (i) 25% of gross margin; and<br>(ii) 1p per authentication   |
| Travel Transactions                | (i) 4p per authentication; and (ii) 1.5% of ex-VAT transaction value   |
| Advertising Responses              | (a) 4p per authentication (no customer details passed); or (b) 7p per authentication (consumer details passed to an advertiser or their agent) |
| Ticket Transactions                | 4p per authentication  |
| Game Response Call                 | 4p per Game Response Call  |
| Any other service not listed above | To be agreed between the third party and Sky   |





## Annex 2

### Maximum charges in relation to Future Generations of Sky set top boxes

| Service provided by Sky   |   |
|---|---|
| Services which enable interactive applications to be authored and made available on Future Generations of Sky set top boxes | £100,000 per annum<br><br>and<br><br>Additional Charges (where applicable – see table below). |

### *Additional Charges*

| Service provided by broadcaster to end-user  |  |
|--|--|
| Services that enable viewers to access and select alternative linear video feeds broadcast via digital satellite | Zero   |
| Services that enable viewers to access and select alternative audio soundtracks                                  | Zero   |
| Services that enable viewers to access and select digital text services  | Zero   |
| Services that enable viewers to select subtitles in their language of choice.                                    | Zero   |
| Commercial Watermarking  | Zero   |
| Any other service not listed above   | To be agreed between the broadcaster and Sky |

| Service provided by pay TV distributor to end-user |      |
|--|------|
| Pay TV Customer Services                           | Zero |

Where customers procure both Application Signing Services and Technical Services from Sky, the annual fee shall be payable once.



### **Annex 3**

[Sky's standard terms for the provision of Application Signing Services prevailing as at 2 April 2015 – provided to Ofcom under separate cover]

### **Annex 4**

[Sky's standard terms for the provision of Authentication Services prevailing as at 2 April 2015 – provided to Ofcom under separate cover]