

Classification Branch  
Department of Communications and the Arts  
Locked Bag 3, HAYMARKET NSW 1240  
[consultation@classification.gov.au](mailto:consultation@classification.gov.au)

### **Submission to the Review of Australian Classification Regulation**

The International Social Games Association (ISGA) welcomes the opportunity to make a submission to the Review of Australian Classification Regulation. In this submission we respond to the terms of reference and particular questions in the discussion paper that are relevant to the classification of online games.

#### **Key points:**

- The ISGA supports the Australian Government's aim to develop a harmonised, national approach to classification.
- Games publishers' apps are subject to the ratings systems allocated by the platforms such as Google, Apple and Facebook, for their storefronts. Ratings for an online game are based on questionnaires on the app's contents and are produced through an automated system. Developers cannot change that rating either lower or higher.
- A harmonised, national approach to classification need not preclude recognition and approval of the multiple classification tools, which constitute the online games ecosystem.
- Platforms are heading in the right direction in terms of ratings and parental tools – and the ISGA recommends that the government consider recognising platform ratings systems under any potential classification model.
- In this regard, the government should examine ways to seek greater cooperation from the platforms and the various ratings agencies upon which they rely, to bring about consistency and alignment.
- Robust, reliable and cost-effective online age verification systems are in development but not yet available. Given the technical and other issues such as privacy and usability, it may be some time away. In this context, mandating an unduly prescriptive Restricted Access System for all content deemed by the Computer Games Guidelines as having an MA15+ or R18+ rating is not workable and cannot be properly enforced, and as such represents a failure of public policy and enforcement.
- The ISGA believes that aligning the global platforms with or within the Australian regulatory regime for classification will require consideration of a less prescriptive model than is mandated under the Restricted Access System Declaration 2014, so

that the system is compatible with online operations and available technologies, and allows flexibility for industry in implementing access systems.

- Recognising that the platforms are the gatekeepers of online content, ISGA would recommend that the government closely examine the extent of their respective parental tools and whether these tools meet the Classification Principle under the National Classification Code, that “minors should be protected from material likely to harm or disturb them.”

## **About the International Social Games Association (ISGA)**

ISGA is a global non-profit trade association established to develop and communicate best global practices in gaming in consultation with public policy makers and regulators around the world.

ISGA represents a full cross section of social games businesses and about 80% of the social casino games market. Companies represented on the board of the ISGA include Zynga, Scientific Games, Product Madness, Playtika, PlayStudios, GSN, Greentube, IGT, Big Fish Games and Aristocrat.

Since 2012 the International Social Games Association has taken the lead in promoting responsible standards for the social casino subsector and, by extension, the social games industry as a whole.

Upholding best practice principles is a key component of the ISGA’s work. Our members have collaborated with regulators and other stakeholders worldwide to develop Best Practice Principles that work in concert with existing laws and regulations (insert hotlink to the new version). We launched our Smart Social Gamers website in late 2012 to provide consumer advice on safe play and direct gamers and parents to experts' advice and government sites with appropriate advice (see [Smart Social Gamers](#)).

The ISGA is committed to working with policy makers in researching the online games sector and has invested in and published independent research, based on real player data. For more information on these studies please visit [www.i-sga.org](http://www.i-sga.org).

## **About social games**

Social or casual games are a popular form of entertainment and are part of the broad media landscape that includes movies, TV, video-on-demand, social and console video games. It is estimated that worldwide over 750 million people play social games on platforms such as Apple, Facebook and Google Play, on smart-phones, tablets, laptop computers and desktop computers. The social element involves people playing with or against their friends or participating in leader boards or sharing and comparing progress via a social network.

The rising popularity of social games has been fuelled by the move towards mobile

devices and online social platforms, and changes in the way people access, play and pay for games, with freemium or free to play games becoming increasingly popular. Social games are based on the freemium or “free-to-play” monetization model, meaning that access and play is free, with certain additional and special features available for a fee (in-game purchases). ‘Virtual goods’ (items such as extra lives, tools or maps that a player can win, earn or buy using real money during gameplay) are used to enhance in-game experience, and have no use or value outside of the game. The vast majority of players (95-99%) spend no money whatsoever.<sup>1</sup> Out of the minority that do pay, the majority spend between \$1-5 per month,<sup>2</sup> which is far less than is typically spent on console games.

People of all ages and both genders play social games. Most studies identify the average social games player as being early middle to middle aged and evenly balanced across gender.<sup>3</sup> Player profiles do differ across game and genre. For example, strategy games such as Clash of Clans have an audience centered on males in the 21-35 category,<sup>4</sup> whereas Match 3 style game Candy Crush is renowned for its predominantly female and wide-ranging age appeal.<sup>5</sup>

“Social casino” or “casino-style” games are a genre of social games. They take inspiration from well-known chance-based games that are often found in real money casinos (such as slots) and delivers them in the innovative way in terms of social mechanics, design and gameplay that is typical of social games. Examples include Big Fish Casino (Big Fish), Zynga Poker (Zynga) and Slotomania (Playtika).

The model for these games (e.g. social slots) is the same as it is for other freemium game such as FarmVille. Games are based on the freemium-pricing model, which relies upon in-game advertising and in-game purchases to achieve revenue. There is no requirement to pay to play - as is typical of social games, is typical of all types of social games, the vast majority never make an in-game purchase.<sup>6</sup>

Casino style games are not real casino or gambling games; you cannot win or lose money in these games.

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<sup>1</sup> The Freemium Monetization Model Revenue Split; Information Provided by the Casual Game Association (2012)

<sup>2</sup> <http://www.swrve.com/company/press-room/swrve-finds-0.15-of-mobile-gamers-contribute-50-of-all-in-game-revenue>

<sup>3</sup> [http://www.infosolutionsgroup.com/pdfs/2011\\_PopCap\\_Social\\_Gaming\\_Research\\_Results.pdf](http://www.infosolutionsgroup.com/pdfs/2011_PopCap_Social_Gaming_Research_Results.pdf) & [http://www.theesa.com/facts/pdfs/ESA\\_EF\\_2014.pdf](http://www.theesa.com/facts/pdfs/ESA_EF_2014.pdf)

<sup>4</sup> <http://blog.apptopia.com/game-demographics-that-every-developer-should-know/>

<sup>5</sup> <http://www.newzoo.com/insights/supercell-vs-king-how-do-their-gamers-compare/#5kwPTWX6ztloMrUm.99>

<sup>6</sup> <http://www.swrve.com/company/press-room/swrve-finds-015-of-mobile-gamers-contribute-50-of-all-in-game-revenue>

## Player demographics & ISGA policy

Market research has consistently shown that social casino games appeal to a middle-aged audience and skew female.<sup>7</sup>

Additionally, the ISGA has commissioned large-scale demographic studies of members' games based on real player data:

- In 2014, an ISGA commissioned study covering in excess of 12 million data points across Europe, the US and Australia, found that only 0.74% of social casino players were under 18 and that 0.04% of total players were spending under 18's.<sup>8</sup> It is the largest data study of the sector to date.<sup>9</sup>
- In 2016, an ISGA commissioned follow up study, led by video games research specialist Dr Rachel Kowert, covering in excess of 4.8 million data points globally and found that only 0.59% of players were under 18 and that 0.010% of total players were spending under 18's.<sup>10</sup>
- In 2019, Dr Rachel Kowert led a follow up study covering in excess of 1 million data points globally which has found that 0.22% of players were under 18 and that 0.008% of players are spending under 18's.<sup>11</sup>

The social casino industry has no interest in appealing to minors. Terms of service, websites and advertising policies generally contain age minimums of *18 plus*. ISGA Best Practice Principles provide specific *18 plus* commitments for terms of service, advertising and exhortations to purchase:

- "Advertisements for casino-style games should not be deliberately or explicitly directed at those aged below 18 years."
- "Games that are designed for children should not contain direct exhortations to children to buy items in a game or to persuade an adult to buy items for them."
- "Terms of service should be accessible to the player before they play the game. For example, casino-style social games should specify that the games are intended for use by those 18 or older and/or provide advice to parents and teens on making smart choices online."<sup>12</sup>

It is notable that the ISGA's Best Practice Principles were positively referenced as going

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<sup>7</sup> For example: <https://innovecsgaming.com/blog/social-casino-games-trends-2017/>;  
<https://www.geekwire.com/2013/doubledown-casino-stats/>

<sup>8</sup> <http://doubledowninteractive.com/US-Social-Casino-Index.pdf>

<sup>9</sup> <http://www.i-sga.org/research/>

<sup>10</sup> <http://www.i-sga.org/research/>

<sup>11</sup> <http://www.i-sga.org/research/>

<sup>12</sup> <http://www.i-sga.org/best-practice-principles/>

further than legislative requirements in the October 2019 Swedish Consumer Agency's research report into online games.<sup>13</sup> Our Best Practice Principle are set out in full in Appendix 1.

Please note that caution must be exercised in drawing conclusions from studies of social games based on limited self-reporting. In "[Gaming-gambling convergence: Research, regulation, and reactions. Gaming Law Review](#), 2019", Dr Sally Gainsbury raises significant doubts as to the reliability of this area of research. A brief summary of her headline points is set out below:

- There is an absence of longitudinal research.
- Overlap is not the same as causation.
- Time limited, self-recruited and self-reported samples are non-representative and likely to be "wildly inaccurate."
- Migration from social casino to real money gambling is not supported by prevalence studies which "show gambling participation has remained relatively unchanged."
- Conclusion: "More research is unquestionably needed."<sup>14</sup>

### **Classification of social games**

Games publishers' apps are subject to the ratings systems allocated by the platforms such as Google, Apple and Facebook, for their storefronts.

Ratings for online game are based on questionnaires on the apps' contents and are produced through an automated system. The age rating generation tool is based upon the ratings standards system adhered to by the particular app store. As soon as the game or app is released, the appropriate age rating is displayed in the app storefront. Developers cannot change that rating, either lower or higher.

We welcome the introduction of the automated IARC (International Age Rating Coalition) system, adopted by Australia in 2015, which has simplified the process by which online games obtain appropriate age ratings based on the game's content and interactive elements. Google has adopted IARC in Australia while in Europe Google applies PEGI ratings (also a member of IARC)<sup>15</sup> and in America, ESRB ratings (also a member of IARC).<sup>16</sup>

Apple continues to operate its own independent rating system globally and games on its storefront rely on Apple's ratings. As with IARC, Apple's system has continually evolved to align with community standards and expectations.

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<sup>13</sup> <https://www.konsumentverket.se/contentassets/83509d8dffff48559d44de6546ecc362/kartlaggning-av-konsumentskyddet-vid-lotteri--eller-kasinoliknande-inslag-i-datorspel-fi-2019-01630-ko.pdf>

<sup>14</sup> "Sally Gainsbury: "Gaming-Gambling Convergence, Research, Regulation and Reactions," Gaming Law Review (January 2019)

<sup>15</sup> [Google Play Content ratings for apps & games](#)

<sup>16</sup> <https://www.esrb.org/ratings-guide/>

In August 2019, Apple applied a standardised 17 + rating for all simulated gambling content.<sup>17</sup> The decision was welcomed by the ISGA, which has called for the major platforms to mirror game publisher policy. We are hopeful that the ratings agencies, upon which Google relies, namely PEGI and the ERSB, will follow Apple’s forward-thinking example.

## **Parental controls – an essential tool**

Parental controls allow parents to ensure that children access appropriately rated content.

ISGA Best Practice Principles state:

- “We support and encourage the use of parental controls to ensure age-appropriate content.”
- “We promote and provide information on how to use parental controls via our Smart Social Gamers safe play portal – [smartsocialgamers.org](https://smartsocialgamers.org).”
- “We answer content rating questionnaires honestly and accurately to ensure that apps align properly with age rating expectations.”<sup>18</sup>

Amongst the findings in the UK content regulator Ofcom’s “Children and parents: media use and attitudes report 2018” are that 77% of parents of 3-4s and 83% of parents of 5-15s who have home broadband and whose child goes online are aware of one or more of these six technical tools: Network-level content filters, parental control software content filters, parental controls built into device, PINs/ passwords required for websites, safe searches enabled on search engines, YouTube restricted mode.<sup>19</sup>

There is always room for better education on parental controls. The ISGA’s safe play portal [smartsocialgamers.org](https://smartsocialgamers.org) offers expert advice on Identifying age-appropriate content in games and using parental controls.

Positively, platforms have recognised concerns and are constantly making advances in areas such as monitoring usage, screen time limitation, obligatory downtime and remotely locking devices and, crucially, ensuring that children are only able to access appropriately rated content.<sup>20</sup>

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<sup>17</sup> <https://developer.apple.com/news/?id=08192019a>

<sup>18</sup> ISGA Best Practice Principles Version 4 (Appendix 1)

<sup>19</sup> <https://www.ofcom.org.uk/research-and-data/media-literacy-research/childrens/children-and-parents-media-use-and-attitudes-report-2018>

<sup>20</sup>

For Apple, see: <https://techcrunch.com/2019/12/10/apples-new-parental-controls-can-limit-who-kids-can-call-text-and-facetime-and-when/>;

For Google, see: <https://www.theverge.com/2017/3/15/14936424/google-family-link-app-release-parental-controls>

## **The Australian Government’s aim to develop a harmonised, national approach to classification**

ISGA supports the Australian Government’s aim to develop a harmonised, national approach to classification. This approach was recommended in the 2012 ALRC review and more recently by the ACCC in its final report for the Digital Platforms Inquiry. The move toward industry self-classification by the application of the IARC classification tool followed the recommendations of the ALRC review and has benefited both consumers and the online games industry through more efficient classification.

A harmonised, national approach to classification need not preclude recognition and approval of the multiple classification tools, which constitute the online games ecosystem.

ISGA believes that platforms are heading in the right direction in terms of ratings and parental tools – and we recommend that the government consider recognising platform ratings systems under any potential classification model. In this regard, the government should seek greater cooperation from the platforms and the various ratings agencies upon which they rely, to bring about consistency and alignment.

We believe that this is the realistic pathway to realising the Classification Principle, set out in the National Classification Code, that “minors should be protected from material likely to harm or disturb them.”

We discuss this and related issues further in responding to questions raised in the discussion paper.

### **1. Classification categories**

#### **1) Are the classification categories for films and computer games still appropriate and useful? If not, how should they change?**

The classification categories may be well established as advisories for films but they have not been fully adapted for application to online and mobile games. In the context of extraordinary growth in mobile games and the independent ratings systems offered by the major platforms, ISGA believes that the current classification categories may create confusion with games’ consumers.

As stated above, ISGA believes that the pathway to a modernised system that is better understood by consumers, requires closer cooperation between platforms and government. The objective should be a modernised system that seeks consistency, alignment and conformity from the platforms in relation to classification.

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## 2. Classifiable elements

**2a) Do the provisions in the Code, the Films Guidelines or the Computer Games Guidelines relating to ‘themes’ reflect community standards and concerns? Do they need to change in any particular classification category or overall? Are ‘themes’ understood and is there sufficient guidance on what they mean?**

ISGA notes that the current themes can include simulated gambling games, which we believe is appropriate and should remain.

Further, the guidance provided by the Australian Government’s classification system, complemented and reinforced by the consumer advisories and parental controls provided by the platforms, is appropriate.

The ISGA believes that any change in classification categorisation should be based on robust evidence including on the demographics of players.

In relation to the following questions regarding the guidelines in relation to violence, sex, language, drug use, and nudity, the ISGA notes that these are not prevalent themes in social casino games, which are designed for light entertainment.

## 3. Other comments

“The Films Guidelines and the Computer Games Guidelines outline three essential principles to be used when making a classification decision. These are: the importance of context; the six classifiable elements; and assessing impact using a hierarchy of very mild (G), mild (PG), moderate (M), strong (MA 15+), high (R 18+) and very high (RC).”

**3a) What aspects of the current Code, Films Guidelines or Computer Games Guidelines are working well and should be maintained?**

The introduction of the IARC tool was a step forward in modernising the classification system. Despite this, the adoption of IARC has been fragmented and many major platforms have opted to apply their own ratings, as is discussed elsewhere in this submission.

**3b) Are there other issues that the Code, the Films Guidelines and/or the Computer Games Guidelines need to take into account or are there any other aspects that need to change?**

The ISGA believes that the classification system for online games needs modernising in light of the increasingly large volume of games played online and the rating systems and parental controls that the platforms have developed.

One of the significant barriers to compliance and enforcement in the current system is the Restricted Access System, which was originally designed for the offline world and modified only partially and imperfectly for online games.



We note that the Restricted Access System Declaration of 2014<sup>21</sup> took a more practical and less prescriptive approach than the previous 2007 version. Submissions on the 2014 Declaration were all supportive of "developing a RAS Declaration that was less prescriptive in its requirements than in the 2007 Declaration, allowing flexibility for industry in implementing access systems. Important issues were identified by respondents including:

- the difficulty in proving the age of an applicant online;
- the method or methods of access restriction outlined in a RAS Declaration must allow industry the flexibility to develop access-control systems appropriate to their business models; and
- the RAS Declaration should not be too prescriptive of internal procedures that industry should follow. Such procedures would more appropriately be set out in an industry code, or determined by their business model."<sup>22</sup>

Despite these widely held views, the Declaration mandates that for MA15+ content, an access-control system must:

- require an application for access to the content; and
- require a declaration from the applicant that they are over 15 years of age; and
- provide warnings as to the nature of the content; and provide safety information for parents and guardians on how to control access to the content; and
- limit access to the content, which may include the use of a PIN or some other means.

For R18+ content (or for R18+ and MA15+ content), an access-control system must:

- require an application for access to the content; and
- require content service providers to take reasonable steps to verify an applicant is at least 18 years of age; and
- provide warnings as to the nature of the content; and
- provide safety information for parents and guardians on how to control access to the content;
- incorporate reasonable steps to confirm that an applicant is at least 18 years of age; and
- limit access to the content, which may include the use of a PIN or some other means.

Robust, reliable and cost-effective online age verification systems are in development but not yet available. Given the technical and other issues such as privacy and usability, it may be some time off. In this context, mandating a prescriptive Restricted Access System for all content deemed by the Computer Games Guidelines as having MA15+ or R18+ rating is not workable and cannot be properly enforced, and as such represents a failure of public policy and enforcement.

The ISGA believes that aligning the global platforms with or within the Australian regulatory regime for classification will require consideration of a less prescriptive model than is mandated under the Restricted Access System Declaration 2014, so that the system is compatible with online operations and available technologies, and allows flexibility for

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<sup>21</sup> <https://www.legislation.gov.au/Details/F2014L01757>

<sup>22</sup> Explanatory Statement to F2014L01757 < <https://www.legislation.gov.au/Details/F2014L01757/ccd02eb4-45c6-49d3-8238-0b887ac53723>>

industry in implementing access systems.

Recognising that the platforms are the gatekeepers of online content, ISGA would like the government to closely examine the extent of their respective parental tools and whether these tools meet the Classification Principle under the National Classification Code, that “minors should be protected from material likely to harm or disturb them”.

## **Part 2: Modernising classification legislation**

### **4. Content to be classified**

#### **4) Considering the scope of entertainment content available in a modern media environment, what content should be required to be classified?**

As the discussion paper indicates, the definition of ‘computer game’ in the Classification Act covers physical boxed games and online games, which aligns with products in the market. Since the introduction of the IARC tool in 2015, large volumes of games have been effectively and efficiently classified across all classification categories. However, IARC is not used by some major platforms which host a significant share of social games.

It is a matter of Australian Government policy and law that content is classified to Australian standards. The discussion paper suggests that the same categories will continue to be used for all classifiable content, with the same ratings system applied to games as for film except for X 18+ games. As previously outlined, the ISGA believes that the categorisation of online games needs to be considered in light of the prevalence of independent platform rating systems; and that the Restricted Access System be modernised to recognise the platforms’ tools to filter content and move to an efficient compliance and enforcement model.

#### **1. Applying the same classification standards across delivery formats**

##### **5) Should the same classification guidelines for classifiable content apply across all delivery formats (e.g. television, cinema, DVD and Blu-ray, video on demand, computer games)?**

The ISGA believes that the categorisation of online games needs to be reconsidered in light of the prevalence of independent platform rating systems and the volume of games played on these platforms.

### **6. Classification processes**

#### **6) Consistent with the current broadcasting model, could all classifiable content be classified by industry, either using Government-approved classification tools or trained staff classifiers, with oversight by a single Government regulator? Are there other opportunities to harmonise the regulatory framework for classification?**

The Australian Government’s recognition of two industry classification systems, IARC and the Netflix tool, is welcome. Extending this policy to other approved tools would be

consistent with the 2012 ALRC inquiry which recommended that industry take a greater role in classification, including industry content classification, co-regulation, and the future approval of rigorous and transparent classification systems developed by digital and online content distributors including the global platforms. The movement toward more reliance on self-classification would also be consistent with the ACCC's 2019 final report on the Digital Platforms Inquiry.

The ISGA supports the proposal in the discussion paper for content to be classified by the use of classification tools approved by the Minister or a new regulator, should that be the course chosen by the Australian Government. This next step in self-classification would potentially enable more efficient classification of the large volume of games entering the market, provide Australian consumers with trusted ratings, and provide a degree of 'future-proofing' for classifying games as they continue to grow exponentially. Continuous consumer-focused innovation by platforms has resulted in increasingly rich consumer information and advice about game controls, features and suitability by age, and platform-level methods for players to exclude or block content and advertisements.

As mentioned, ISGA believes that the Restricted Access System requires modernisation for online games delivered by the global platforms.

Progressing industry self-classification with the global platforms is a matter for discussion between the Australian Government and the platforms. The classification of games and any variation in classification systems or components, is managed by the global platforms and then applied by the platforms to social games. ISGA's interest is in an efficient system that is transparent and informative to consumers and the industry.

## **7. Reviews of classification decisions**

### **7) If a classification decision needs to be reviewed, who should review it in a new regulatory framework?**

ISGA notes that the discussion paper indicates that: "If an industry self-classification model is to be part of a future classification framework, it is worth noting that any review of classification decisions would be *in addition* to quality assurance processes conducted by a Government regulator or independent statutory body (for example, if a content distributor does not agree with a classification rating after it was checked and changed by the Government regulator or independent statutory body)."

ISGA believes that an additional layer of review in an industry self-classification model may add complexity and time delays without sufficient additional benefit to consumers or industry. In the case of social games, the global platforms maintain the ratings function and there is no capacity to alter the ratings they provide.

## 8. Classification governance

**8) Is the current co-operative scheme between the Australian Government and the states and territories fit for purpose in a modern content environment? If not, how should it be changed?**

ISGA supports the Australian Government's intention to create a national classification system, as recommended by the ALRC and the ACCC. We note that this reform has been foreshadowed for some time and is could make the system more efficient and consistent. We understand that this is a matter for governments to discuss and agree.

## 9. Other comments

**9) Are there other issues that a new classification regulatory framework needs to take into account?**

ISGA has raised the key issues relevant to social games in the foregoing and appreciates consideration of our views by this review process.

The ISGA would be pleased to provide further elaboration or information on this submission.



**Sandra Eccles**  
**Public Policy Director Australia**  
**International Social Games Association**  
[sandra@i-sga.org](mailto:sandra@i-sga.org)

18 February 2020

## Appendix 1

### **Best Practice Principles v.4 (<http://www.i-sga.org/best-practice-principles/>)**

#### **Principles for Providers of Social Games**

##### **Respect**

- The ISGA and its members look to implement a culture of respect.
  - We engage in honest, transparent practices.
  - We are committed to promoting respect and inclusion.
  - We do not tolerate harassment or bullying of any kind.

##### **Adherence to Applicable Laws and Regulations**

- ISGA members strive to abide by all applicable laws, regulations and platform rules. Examples include laws and regulations covering consumer protection, competition, advertising, privacy and platform age ratings.

##### **Social Games Transparency, Mechanics & Functionality**

- Our games are designed to be fun and easy to understand for the intended audience. They are never designed to mislead or trick players, for example by intentionally providing false information or being deceptive.
- In general, games operators should consider the average consumer who is reasonably well informed and reasonably observant and circumspect.
  - For example, where a game is designed for a particular group of consumers, such as children, it is desirable that the games operator assesses the game from the perspective of the average member of that group.
- Terms of service should be accessible to the player before they play the game.
  - For example, casino-style social games should specify that the games are intended for use by those 18 or older and/or provide advice to parents and teens on making smart choices online.
- Social games should not lead players into believing they will be more successful at real-world activities. For example:
  - Car driving simulators should not deliberately lead people to believe they are acquiring real-world driving skills.
  - Action games should not deliberately lead people to believe they have developed

real-world physical abilities.

- Casino-style games should not deliberately lead players to believe they will be successful at real money gambling games.
- Players should have a seamless download and play experience.

### **Purchases and Payments**

- When players are offered the opportunity to make a payment within a game, it should be transparent what the payment is and what it will provide.
  - The terms and conditions of purchase for games or items within games (in-game purchases) should be clear – whether for virtual credits, additional lives, boosters, character upgrades or any other bonus features.
- Where payment mechanisms are under the control of games operators, default settings should allow purchases to be made only with the player's explicit consent. Players can choose to modify these settings.
- Where platforms dictate payment mechanisms, games operators will comply with the platform's payment policies and any applicable consumer laws.
- Games that are designed for children should not contain direct exhortations to children to buy items in a game or to persuade an adult to buy items for them.

### **Virtual Items and Secondary Markets**

- A "virtual item" is any in-game item, virtual credit or virtual good that can be accumulated as a direct result of the outcome of the game or pre-purchased for the use exclusively on the game platform.
  - Virtual items cannot at any time, be exchanged for real money or items of tangible real world value.
  - Social games operators do not facilitate or permit the trading of virtual items via platforms or third party websites
- The above principles shall not apply to a reward program which is associated with: 1) participating in a game; or 2) purchasing virtual items in both these cases provided that the reward is not linked in any way to the outcome of the game.

### **Ratings and Parental Controls**

- We support and encourage the use of parental controls to ensure age-appropriate content.

- We promote and provide information on how to use parental controls via our Smart Social Gamers safe play portal – [smartsocialgamers.org](https://smartsocialgamers.org)
- We answer content rating questionnaires honestly and accurately to ensure that apps align properly with age rating expectations.

## **Advertising**

- Advertisements should comply with all applicable advertising laws and regulation.
- Games should not be advertised as ‘free’ where purchases are mandatory.
- Game operators should use advertising targeting tools where available, to target advertisements to the intended audience, while respecting privacy laws and regulations including those regarding collecting personal information from children.
- When assessing marketing directed at children, games operators should take due account of the way messages are presented and of the context of those messages.
  - Advertisements for casino-style games should not be deliberately or explicitly directed at those aged below 18 years.

## **Privacy**

- We comply with all applicable privacy and data protection laws and have effective privacy policies.
  - Players are able to easily access a game’s privacy policies.
  - Players are able to request deletion of their public profile from the game provider and the company should cease using their personal data upon request in accordance with applicable laws.
  - Game operators should provide players with the option to choose whether they share their game activity publicly when playing on a social network.

## **Complaints and Account Suspension**

- We make customer support available to players.
- We have an internal process to suspend and/or close a player’s account in a timely manner when requested to do so by the player.
- If a games operator discovers that a player whose account was previously closed opened a new account, the operator should investigate the circumstances with that player and determine whether the new account should also be closed.

## **And Finally, Learning From Our Mistakes**

- We continually strive to apply and improve these principles and are always looking to improve our practices. If you have constructive suggestions for improving our principles, please get in touch: [contact@i-sga.org](mailto:contact@i-sga.org)