

**[NTC MEMORANDUM CIRCULAR NO. 08-08-2004A,
January 24, 2005]**

**ADDITIONAL RULES AND REGULATIONS ON THE PURCHASE,
SALE, LEASE AND/OR RETAIL OF MOBILE PHONES**

Pursuant to the provisions of the Radio Control Law, Act No. 3846, as amended, Executive Order No. 546, and Republic Act 7925, MC 08-08-2004 is hereby amended, the full text shall now be promulgated as MC 08-08-2004A, as follows:

1. PURPOSE

The primary purpose of this Circular is to enable the NTC to monitor and effectively regulate the purchase, sale, lease and/or retail of mobile phone units, parts and accessories thereof, in the interest of the public.

2. DEFINITION OF TERMS

2.1 Commission - National Telecommunications Commission.

2.2 Mobile phone - a handheld radio communications device employing cellular mobile telephone system (CMTS) and similar technologies, popularly referred to as cellular phones or cell phones, capable of transmitting and receiving voice, data and other multimedia services by means of radio waves.

2.3 Mobile Phone Supplier/Distributor (MPSD) - a person or entity accredited by the Commission to engage in the importation of mobile phones, including parts and accessories thereof from manufacturers and in the sale/distribution thereof to mobile phone dealers.

2.4 Mobile Phone Dealer (MPD) - a person or entity authorized by the Commission to purchase mobile phones, locally, including parts and accessories thereof from mobile phone supplier/distributor and engage in the sale to end users/customers. An MPD may put up as many branches which shall pay the corresponding permit fees as provided for herein below.

2.5 Mobile Phone Retailer/Reseller (MPRR) - a person or entity registered with the Commission to buy mobile phones, including parts and accessories thereof from mobile phone dealer and engages in a limited scale in the buy and sell to end users/customers for a limited period.

3 GENERAL PROVISIONS

3.1 No person shall engage in the business of a MPD, MPSD and MPRR without first securing the necessary accreditation/permit/registration certificate from the Commission.

3.2 No MPD and MPRR shall keep on stock mobile phones which are illegally acquired, and/or without NTC type-approval/type acceptance labels/stickers on the mobile phones.

3.3 MPD and MPRR shall register with the Commission all their available mobile phone units in their stock and/or possession by submitting the list of its International Mobile Equipment Identity (IMEI) code on a monthly basis. Likewise, they shall also submit a list of all available subscriber identification module (SIM) numbers in their stock and/or possession.

3.4 The Regional Offices of the Commission shall furnish the Telecommunication Planning and Development Department (TPDD), this Commission of all monthly sales and stock report submitted by authorized MPD.

3.5 All applicants to become authorized MPD, MPD and MPRR shall apply and secure the required accreditation/permit or registration from the Commission.

3.6 Existing and duly accredited/authorized Customer Premises Equipment (CPE) distributors/suppliers and radio dealers who may want to engage in the purchase, sale and and/or retail of mobile phones, including parts and accessories, thereof, shall apply for MPD and comply with the requirements set forth under Section 5 of this Circular. Any entity wishing to be mobile phone suppliers/distributors shall be accredited by the Commission pursuant to MC 1-04-88.

3.7 All existing establishments engaged in the business of purchasing, selling, leasing and/or retailing mobile phones without valid permits/registration certificates or accreditation from the Commission shall within thirty (30) days from effectivity of this Circular apply and secure the permits required by this Circular. Failure to do so, shall subject any person or entity operating any such establishment to closure and the imposition of appropriate fines until the required permit/registration certificate is secured.

4. OPERATING GUIDELINES FOR AUTHORIZED MOBILE PHONE DEALERS AND RETAILERS/RESELLERS

4.1 All grantees of permits authorized to operate as an MPD, and MPRR shall in the purchase, sale, lease and/or retail of mobile phone units, parts and its accessories strictly comply with the provision of this Circular and other existing radio laws, rules, and regulations.

4.2 An MPD and MPRR shall not acquire, purchase, sell, lease and/or retail mobile phones from any unauthorized or illegal source.

4.3 An MPD and MPRR shall not advertise the purchase, sale, lease and/or retail of mobile phone units, parts and accessories coming from any unauthorized or illegal source.

4.4 An MPD and MPRR shall properly identify its business and location by posting conspicuously at the entrance of its premises a signboard of at least 50cm x 100cm dimension, which shall indicate clearly its registered business name, the type of services it offers, its full business address and the MPD permit number.