

**[NTC MEMORANDUM CIRCULAR NO. 08-08-2004,
August 06, 2004]**

**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, the following additional rules and regulations are promulgated to form part of MC No. 1-04-88 and MC No. 02-01-2001.

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 Dealer (MPD) - a person or entity primarily engaged in the purchase, sale, lease and /or retail of mobile phones including parts and accessories thereof.

2.4 Mobile Phone Dealer's Permit (MPDP) - a permit issued by the Commission authorizing the holder thereof to engage in the purchase, sale, lease and/or retail of mobile phones, including parts and accessories thereof.

3. General Provisions

3.1 No person shall engage in the business of a MPD without first securing the necessary permit from the Commission.

3.2 No MPD shall keep on stock mobile phones which are illegally

acquired and/or mobile phones without NTC type-approval/type acceptance labels/stickers.

3.3 MPD shall register with the Commission all 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 for permits to become authorized MPD shall apply and secure the required permit from the Commission.

3.6 Existing and duly accredited CPE and radio suppliers and dealers pursuant to existing rules shall inform the Commission in writing thirty (30) days from effectivity of this Circular that they shall engage in all purchase, sale, lease and/or retail of mobile phones. Henceforth, all accreditation permits for CPE and radio suppliers and dealers shall include the purchase, sale, lease and/or retail of mobile phones.

3.7 All existing establishments primarily doing the business of purchasing, selling, and/or retailing mobile phones without valid permits 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 is secured.

4. Operating Guidelines for Authorized Mobile Phone Dealers

4.1 All grantees of permits authorized to operate as an MPDP 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 shall not acquire, purchase, sell, lease and/or retail mobile phones from any unauthorized or illegal source.

4.3 An MPD 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 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