Working Example

ABC Sdn Bhd

? NFP, NSP & ASP individual licenses (all issued on 8 May 2001)
? Financial year end – 31 December of each year

1.	Phase 1	Upon the 1st anniversary of license and annually thereafter (i.e. 8 May), licensee to pay to MCMC the initial sum of RM50,000.00 per individual license. 3 individual licenses = RM150,000.00
2.	Phase 2	Licensee to submit annual audited accounts within 3 months from financial year end ("FYE") i.e. on or before 31 March of each year. Assume that the licensee's gross annual turnover ("GAT") is RM250,000,000.00
2a.	Phase 2	(a) Minimum annual fees (0.15% of GAT): RM250,000,000.00 x 0.15% = **RM375,000.00** (b) Reconciliation of minimum annual fees with amount paid earlier: RM375,000.00 – RM150,000.00 = RM225,000.00
2b.	Phase 2	(a) Maximum annual fees (0.5% GAT) RM250,000,000.00 x 0.5% = **RM1,250,000.00** (b) MCMC to inform ABC Sdn Bhd on the applicable annual license fee payable and the maximum amount that would be entitled to rebates. (c) If licensee has yet to submit its rebates application, the licensee must do so within 30 days from receipt of the above notice.

3.	Phase 3	Computation of rebates entitlement:
		
		(a) Maximum rebates entitled (100%)
		
		Maximum annual fees – Minimum annual fees
		    ✍ RM1,250,000.00 – RM375,000.00
		    ✍ **RM875,000.00**

3a.	Phase	(b) Rebates entitlement <table><tr><td>% Rebates</td><td>Amount</td><td></td></tr><tr><td>100%</td><td>RM875,000.00</td><td></td></tr><tr><td>66%</td><td>RM577,500.00</td><td>**X**</td></tr><tr><td>33%</td><td>RM288,750.00</td><td></td></tr><tr><td>0%</td><td>RM0.00</td><td></td></tr></table>

4.	Phase 4	MCMC to initiate process to collect the balance of applicable annual license fees payable.
		
		Maximum fees payable = RM1,250,000.00 (A)
		Minimum fees payable = RM 375,000.00 (B)
		
		Maximum rebates entitled
		    ✍ A – B
		    ✍ RM1,250,000.00 – RM375,000.00
		    ✍ RM875,000.00
		
		Applicable annual license fee
		
		    ✍ License condition i.e. 0.5% of GAT less applicable rebates, subject to a minimum of 0.15% of GAT or RM50,000.00 whichever is the greater
		
		    ✍ A minus 66% rebates
		    ✍ RM1,250,000.00 – RM577,500.00
		    ✍ **RM672,500.00 (C)**

| | | **Licensee to pay:**

  ? C minus initial amount paid
  ? RM672,500.00 – RM150,000.00
  ? **RM522,500.00***

* Amount must be settled within 30 days of receipt of the notice from MCMC. |