



Suruhanjaya Komunikasi dan Multimedia Malaysia
Malaysian Communications and Multimedia Commission

**GUIDELINES ON REGISTRATION OF END-USERS OF
PREPAID PUBLIC CELLULAR SERVICES
(MCMC/G/01/17)**

1 June 2017

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GLOSSARY

CMA	Communications and Multimedia Act 1998.
Commission	Malaysian Communications and Multimedia Commission.
Business Entity	An entity that is established to engage in business activities, charitable activities or other allowable activities under the relevant laws in Malaysia such as the Companies Act 1965, the Registration of Businesses Act 1956 and the Limited Liability Partnerships Act 2012.
Dealer	A person or representative appointed by a service provider to carry out registration of end-users of prepaid public cellular services on behalf of the said service provider.
End-user	A person who uses the prepaid public cellular service.
Guidelines	Guidelines on Registration of End-Users of Prepaid Public Cellular Services (MCMC/G/01/17) dated 1 June 2017.
Individual	A single natural person that do not represent any business entity.
Prepaid Public Cellular Services	Public cellular services where: a) a service provider provides such service to an end-user; b) the end-user pays for such service before it is used; and c) the end-user is issued with a number for use in connection with such service.
Public Cellular Services	Applications services involving a network of base stations or cells for the delivery of voice and data communications.
Registration	Recording of information as specified in paragraph 3 of the Guidelines on Registration of End-Users of Prepaid Public Cellular Services (MCMC/G/01/17), of end-users by a service provider or its dealer.
Prepaid Service	Prepaid public cellular service.
Service Provider	A licensee who provides prepaid public cellular services.

SMS	Short messaging service provided by a service provider and is used to transmit and receive short text messages to and from short messaging service enabled devices.
Standard Operating Procedure (SOP)	Processes deployed by a service provider in dealing with dealers who breach the Guidelines on Registration of End-Users of Prepaid Public Cellular Services (MCMC/G/01/17).
Suspend	To disable a prepaid public cellular service from making calls other than to the emergency services or to the service provider or receive calls.
Termination	To disable prepaid public cellular service from using any voice and data services.

GUIDELINES ON REGISTRATION OF END-USERS OF PREPAID PUBLIC CELLULAR SERVICES

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1. OBJECTIVES AND SCOPE OF GUIDELINES

- 1.1. Pursuant to the Ministerial Direction on the Registration of Subscribers of Prepaid Public Cellular Services, Direction No. 1 of 2006 dated 20 February 2006, the Commission is directed to undertake necessary steps to ensure that all licensees who provide Prepaid Services register their subscribers.
- 1.2. Under the Ministerial Declaration on Standard Conditions for Application Service Provider Class Licence, Declaration No. 32 of 2006 dated 9 October 2006, it is provided that:

"10. REGISTRATION OF END-USERS OF PUBLIC CELLULAR SERVICES

10.1 The licensees who provides public cellular services shall carry out the registration of end-users of public cellular services; and

10.2 The licensees shall comply with any guidelines issued by the Commission from time to time on matters relating to the registration of end-users of public cellular services."

- 1.3. Pursuant to the above, the Commission hereby issues these Guidelines to regulate the implementation of the registration of Prepaid Services' End-users.
- 1.4. These Guidelines should be read together with the CMA and its related subsidiary legislations, instruments, codes and other guidelines that have been issued by the Commission pursuant to the CMA.

PART A: REGISTRATION

2. REQUIREMENT FOR REGISTRATION

- 2.1. A Service Provider who provides Prepaid Service is required to register its End-users.
- 2.2. A Service Provider shall not provide any Prepaid Service to any End-user who fails to register with the Service Provider.
- 2.3. Subject to paragraph 3 below, a Service Provider may appoint Dealers to carry out the registration for individual registration, provided that the Dealers are registered with the Service Provider.

- 2.4. Service Provider or its Dealers are prohibited from selling pre-activated SIM cards to End-users, subject to Part E of these Guidelines.

3. METHOD OF REGISTRATION

Individual

- 3.1. For purposes of registration of Individuals, the following information is required to be recorded by the Service Providers or its Dealers:

- (a) Malaysian citizens/permanent residents:
 - (i) Full name as per identification document;
 - (ii) Permanent address as per identification document;
 - (iii) Mailing address;
 - (iv) Identification number as per identification document; and
 - (v) Any other information as may be required by the Commission.

- (b) Foreigners (workers or students):
 - (i) Full name as per passport;
 - (ii) Passport number;
 - (iii) Passport issuing country;
 - (iv) Company name and address as provided in work permit document or student identification document with university address (for students);
 - (v) Mailing address; and
 - (vi) Any other information as may be required by the Commission.

- (c) Foreigners who are visiting Malaysia less than three (3) months (tourists):
 - (i) Full name as per Passport;
 - (ii) Hotel or temporary residential address;
 - (iii) Passport number;
 - (iv) Passport issuing country; and
 - (v) Any other information as may be required by the Commission.

- 3.2. The Service Provider or its Dealers are required to ensure that the information provided by the Individual for purposes of registration as specified in subparagraphs 3.1(a), (b) and (c) above (with the exception of the mailing address and hotel or temporary residential address) is verified against the

information contained in the original identification documents mentioned below:

- (a) Malaysian citizens/permanent residents:
 - (i) National Registration Identity Card for Malaysians (MyKad);
 - (ii) National Registration Identity Card for Malaysian Permanent Residents; or
 - (iii) Malaysian Armed Forces or Police Personal Identity Card.
- (b) Foreigners:
 - (i) Valid Work Permit Identification Card or Student Identification Card (if applicable); and
 - (ii) Passport.

3.3. Notwithstanding the provisions contained in subparagraph 3.2 above, a Service Provider or its Dealers may also accept the following identification documents issued by the National Registration Department ("NRD") and Immigration Department of Malaysia ("IDM") as per **Appendix A**:

- (a) Temporary Identity Card (MyKas);
- (b) IMM 13 (limited to the state of Sabah and Wilayah Persekutuan Labuan only and verification is required from IDM prior to activation of services by Service Provider); or
- (c) Any other identification document deemed acceptable by the Commission that will be notified to the Service Providers from time to time.

3.4. For purposes of verifying the mailing address, the same shall be verified against an original utility bill issued within the last one (1) month for services installed or subscribed at the Individual's current residential address (e.g.: water, electricity, cable/satellite TV or broadband bill only.)

3.5. For purposes of verifying the hotel or temporary residential address, the same shall be verified against any documentation that shows proof that the Individual is currently staying at the said address, including the hotel reservation/booking form.

3.6. Service Providers or its Dealers are required to use secured automated platforms such as MyKad reader, Biometric reader, Optical Characteristics Recognition, Secure Online Registration Verified via Financial Account or other

automated platforms as may be approved by the Commission from time to time ("Automated Platforms") to verify the authenticity of the identification documents specified in subparagraphs 3.2(a), 3.2(b) and 3.3 (a) to (c) above.

Business Entity

- 3.7. Registration of a Business Entity may only be carried out by Service Providers. No Dealers can be appointed to carry out the registration.
- 3.8. For purposes of registration of Business Entities, the following information is required to be recorded by the Service Providers:
 - (a) The name and business address;
 - (b) Certificate of Incorporation (*Pemerakuan Pemerbadanan*) issued by the Registrar of Companies (*Pendaftar Syarikat*); Certificate of Registration (*Pendaftaran Perniagaan*) issued by the Registrar of Business (*Pendaftar Perniagaan*) or any other form of registration documents issued by the relevant registering authorities; and
 - (c) Letter of authority to purchase the Prepaid Service on behalf of the Business Entity.
- 3.9. In addition to the above, the Service Provider shall also record the information of the authorised representative of the Business Entity who has been authorised to purchase the Prepaid Service on behalf of the Business Entity. The information required is as per the information for Individuals as specified in subparagraph 3.1(a) or (b) above, as the case may be.
- 3.10. The Service Provider shall ensure that the information provided by the authorised representative of the Business Entity for purposes of registration of the business entity is verified against original documents.
- 3.11. For purposes of the information of the authorised representative of the Business Entity required under subparagraph 3.8 above, the requirements under subparagraphs 3.2, 3.4 and 3.6 above would be applicable.

Personal Data Protection Act 2010

- 3.12. All the information obtained pursuant to this paragraph 3 is for the purpose of the prepaid registration exercise only and shall not be used for marketing or any other activities, and the handling of the said information must be fully compliant with the requirements of the Personal Data Protection Act 2010.

4. REGISTRATION OF SIM CARDS

- 4.1 A Service Provider shall not register any new Individual customer for more than five (5) SIM cards per customer.
- 4.2. The requirement under subparagraph 4.1 above will not affect existing Individual customers who have registered for more than five (5) SIM cards under their name prior to the enforcement of these Guidelines.
- 4.3. There is no limitation on the number of SIM cards' registration for Business Entities.

5. WHAT CONSTITUTES EFFECTIVE REGISTRATION

- 5.1. Registration would be completed once the Service Provider or its Dealer has duly recorded and verified the information provided by the Individual or the authorised representative of the Business Entity (as the case may be), in accordance with paragraph 3 above. Registration takes effect immediately upon the said information being duly captured in the Service Provider's system.
- 5.2. The information pursuant to paragraph 3 above shall be captured in the Service Provider's system in real time.
- 5.3. The Service Provider shall ensure that the End-user is able to access the Prepaid Service once the registration takes effect.

6. NOTIFICATION OF SUCCESSFUL REGISTRATION

- 6.1. A Service Provider shall notify the End-users on the status of the registration within twenty-four (24) hours from the time of registration.
- 6.2. The Service Provider shall provide a customer care line for End-users for enquiry on the status of their registration.

7. RECORD OF REGISTRATION

- 7.1. A Service Provider is required to keep all records of the registration of End-users including all the information obtained by the Service Provider and/or its Dealers as long as the Prepaid Services to the End-Users are still active.

- 7.2. In the event the Prepaid Services to the End-user is terminated, the information obtained in relation to the registration of the said End-user shall be kept for a period of eighteen (18) months from the date of termination of the Prepaid Services.

8. CONFIDENTIALITY AND SECURITY OF INFORMATION

- 8.1. A Service Provider must ensure sufficient security measures are in place and shall ensure that the information of the End-users is stored and handled securely to prevent any unauthorized disclosure.
- 8.2. A Service Provider shall take all reasonable action to prevent unauthorised use, access or disclosure and to protect the confidentiality of End-users' information in connection with the purpose for which the information has been disclosed to, or has been collected by the Service Provider or its Dealers.
- 8.3. A Service Provider shall not disclose to any person any information obtained in the course of registration of its End-users unless required by the Commission or any other authority acting under any written law of Malaysia.
- 8.4. A Service Provider shall ensure that its Dealers comply with subparagraphs 8.1 to 8.3 above.
- 8.5. A Service Provider shall submit a report to the Commission on the steps taken and processes introduced to ensure the security and confidentiality of information collected in the course of registration as and when requested by the Commission.

9. AGE REQUIREMENT

A Service Provider or its Dealers shall not register any End-user that is below the age of twelve (12) years old.

PART B: EFFECT OF FALSE REGISTRATION

10. SUSPENSION OF PREPAID SERVICES

- 10.1. A Service Provider shall suspend a Prepaid Service provided to an End-user in the event the said End-user's information was found to be not accurate or falsely registered.

- 10.2. A notice of three (3) working days shall be given to the End-user prior to the suspension of the Prepaid Services and the suspension shall be in effect for a period of fourteen (14) working days.

11. EFFECT OF SUSPENSION

During the suspension period, the End-user will only be able to receive calls, SMS and make emergency calls. The End-user will not be able to make outgoing calls, outgoing SMS or to use data.

12. TERMINATION OF PREPAID SERVICES

- 12.1. A Service Provider shall terminate the Prepaid Services provided to the End-user if the End-user fails to re-register with the correct information within the period of suspension.
- 12.2. Prior to the termination of service, a three (3) days' notice shall be given to the affected End-user by the Service Provider of its intention to terminate.
- 12.3. Upon termination, the End-user will not be able to use the Prepaid Services. It may also result in the remaining balance of the amount paid for the Prepaid Services by the End-user being forfeited by the Service Provider.
- 12.4. A Service Provider is entitled to recycle the number related to the Prepaid Services that has been terminated and the Service Provider is under no obligation to re-issue the same number to the End-user during any new registration in the future.

PART C: SPECIAL EVENT

13. In the event where a Service Provider receives a bulk request from voluntary organizations or society bodies to use temporary Prepaid Services for special events such as the Malaysian General, State or Small Election and Political General Assembly, the conditions below shall be applicable:
- (a) the registration requirement for each SIM card shall comply with the requirements for Individual registration in paragraph 3 above; and
 - (b) the SIM cards for temporary Prepaid Services shall valid only for thirty (30) days and shall be terminated automatically after the expiry date.

PART D: SERVICE VALIDITY FOR TOURISTS OR VISITORS FROM OTHER COUNTRIES

14. Foreigners under subparagraph 3.1(c) shall be allowed to use the Prepaid Services for three (3) months only, effective from the date of registration.
15. A Service Provider shall ensure the Prepaid Service is terminated automatically after the expiry date of validity.

PART E: PRE-ACTIVATED PREPAID SIM CARDS

16. APPLICATION FOR SALE OF PRE-ACTIVATED PREPAID SIM CARDS

- 16.1. Notwithstanding the provisions contained in subparagraphs 2.4, 5.1 to 5.3 above and subparagraph 6.2(c) of the Common Code of Conduct in **Appendix B**, a Service Provider may sell pre-activated prepaid SIM cards provided that the sales are restricted only for inbound flights to Malaysia.
- 16.2. A Service Provider who intends to sell pre-activated prepaid SIM cards under subparagraph 16.1 above, shall submit a formal application to the Commission together with a detailed business proposal.
- 16.3. After an application is made under subparagraph 16.2 above, the Commission may in writing require the Service Provider to submit any additional information and/or documents within the time period specified by the Commission.

17. CONDITIONS FOR SALE OF PRE-ACTIVATED PREPAID SIM CARDS

- 17.1. If the application to sell pre-activated prepaid SIM cards is approved, the Service Provider or its Dealers shall be subjected to the following conditions:
 - (a) the Service Provider or its Dealers are required to verify and record the information of the Individual as per the requirements in paragraph 3 upon the sale of the pre-activated prepaid SIM cards;
 - (b) the information recorded shall be captured in the Service Provider's system within four (4) hours upon the arrival of the inbound flight at the designated Malaysian airport;

- (c) the pre-activated prepaid SIM card of End-users shall be automatically terminated upon the failure of the Service Provider or its Dealers to register the information of End-users in the Service Provider's database within the given time as specified in subparagraph 17.1(b) above;
- (d) the recording of End-user's information and collection of manual forms at the designated Malaysian airport are to be effected by Dealers of the Service Provider; and
- (e) Any other conditions which the Commission may impose.

PART F: DEALERS

18. MANAGEMENT OF DEALERS

- 18.1. A Service Provider shall register all its Dealers who undertakes registration for Prepaid Services provided by the Service Provider and maintain a database of the same.
- 18.2. A Service Provider shall audit its Dealers twice a year and shall submit the audit reports to the Commission on a half yearly basis.
- 18.3. Details on the management of the Dealers are specified in the Common Code of Conduct in the **Appendix B**.

19. PENALIZING OF DEALERS

- 19.1. A Service Provider shall penalize any Dealer who breaches these Guidelines and the Common Code of Conduct.
- 19.2. The details on the penalizing of Dealers and related matters are specified in the Standard Operating Procedure in **Appendix C**.

PART G: GENERAL

20. IDENTIFICATION OF SIM CARD REGISTERED

All licensees shall develop a free of charge mechanism that enables the subscribers to know the number of SIM Cards registered under End-Users name, to ensure no SIM Cards are registered in the name of the subscriber without their knowledge.

21. MANDATORY RELOAD WITH THE ID NUMBER

All licensees shall use a platform that requires End-Users to provide identification number for reload. It would not be possible either to charge or transfer credit if the users do not enter the same identification number as furnished while subscribing to the service.

22. COMPLIANCE WITH THE GUIDELINES

All licensees who provide Prepaid Services are required to comply with the provisions of these Guidelines including the Common Code of Conduct and Standard Operating Procedure which will form part of these Guidelines.

23. AUDIT

23.1. The Commission may from time to time audit the Service Provider, its Dealers, its Prepaid Service End-users' system, any other related system and any records or database that are required to be kept and/or maintained under these Guidelines, to ensure the integrity of the information collected in the course of registration.

23.2. Audited data with National Registration Department (NRD) for inaccuracy shall be:

- (a) not more than 2% of the total number of registration received effective from 1st January 2018; and
- (b) not more than 1% of the total number of registration received effective from 1st January 2019.

The formula to derive the inaccuracy described in this subparagraph 23.2 is:

$$\frac{\textit{Total number of false registration}}{\textit{Total number of registration}} \times 100$$

24. ISSUANCE OF NOTICE PURSUANT TO THESE GUIDELINES

The Commission may from time to time issue notices pursuant to these Guidelines to ensure effective implementation of registration process by the Service Providers.

25. EFFECTIVE DATE AND REVOCATION

- 23.1 These Guidelines shall come into effect on 1st June 2017 and shall continue to be effective until modified, varied or revoked by the Commission. A transition period of six (6) months from the effective date will be given to allow all Service Providers to adhere to these Guidelines.
- 23.2 The Guidelines on Registration of End-Users of Prepaid Public Cellular Services (MCMC/G/07/06, MCMC/G/01/08, SKMM/G/02/09 and SKMM/G/01/11) are hereby revoked.

CONTACT DETAILS

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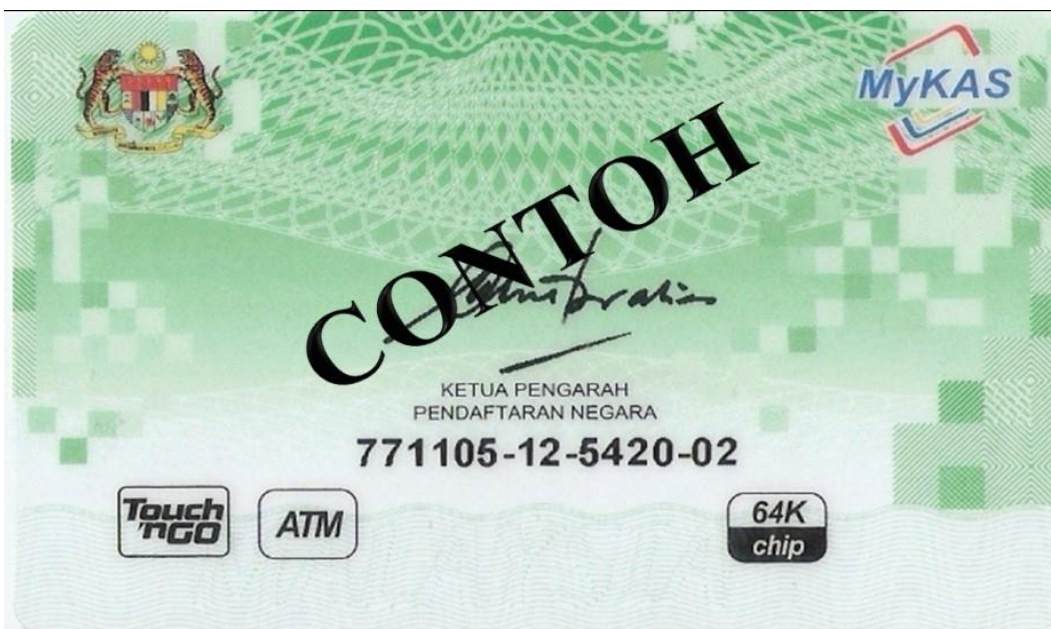
APPENDIX A

a) Temporary Identity Card for Temporary Residents (MyKas)

i) Front View



ii) Back View



ii) Back Page



Note:

Service Providers are required to record the following during the registration:

- (a) Full name of the IMM13 card holder;
- (b) Identification Number that begins with either IP/KDN/HF; and
- (c) Address as indicated by the IMM13 card holder.

APPENDIX B

COMMON CODE OF CONDUCT

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8. REGISTRATION OF SIM CARD

1. EFFECT

- 1.1. This Common Code of Conduct ("Code") shall have effect notwithstanding anything to the contrary in any agreement between a Dealer and a Service Provider.
- 1.2. The provisions in this Code and the Standard Operating Procedure ("SOP") shall be incorporated in the agreement between a Dealer and a Service Provider.

2. OBJECTIVE OF THE CODE

- 2.1. This Code has been developed in consultation with the Service Providers.
- 2.2. The key objective of the Code is to increase the effectiveness of the Dealers in implementing the registration of Prepaid Services' End-users in the manner as set out in the Guidelines.

PART A: MANAGEMENT OF DEALERS

3. Requirement for Registration

Service Provider shall register all its Dealers.

4. Management and maintenance of database of Dealers

- 4.1. Service Providers shall manage and maintain a database of the registered Dealers and the information is to be provided as and when required by the Commission.

5. Auditing of Dealers

- 5.1. Service Providers shall audit its Dealers, its Prepaid Service End-users' system, any other related system and any records or database that are relevant under these Guidelines at least twice yearly.
- 5.2. Pursuant to the above paragraph 5.1, Service Providers shall furnish the audit reports to the Commission twice yearly.

6. Penalizing dealers

- 6.1. The Standard Operating Procedure developed in consultation with the Service Providers, outlines the processes in dealing with Dealers in relation to penalties and related matters.
- 6.2. The Service Providers shall ensure that Dealers who breach any of the following provisions shall be penalized in accordance with the SOP:
 - (a) not adhering to the required method of registration as contained in these Guidelines;
 - (b) failure to carry out proper verification in registering End-users;
 - (c) subject to Part E of these Guidelines, selling pre-activated SIM cards to End-users;
 - (d) using End-user's information to register new numbers without the consent of the particular End-user;
 - (e) using any false information to register new numbers; or
 - (f) any other matter the Commission deems appropriate.
- 6.3. The list of terminated Dealers due to the reasons stated in subparagraph 5.2 above shall be provided to the Commission as and when required by the Commission.

7. Equipping Dealers with Automated Platforms

- 7.1. Service Providers shall use its best endeavour to equip all the Dealers with the Automated Platforms for the purpose of verification of the information contained in the MyKad or other forms of identification provided by the Individual or the authorised representative of the Business Entity (as the case may be), wherever possible.
- 7.2. The Service Providers shall provide a twice yearly progress report in respect of the matters in subparagraph 7.1 above to the Commission.

8. Registration of SIM Card

- 8.1. Unregistered Dealers or Dealers without the capability to register new SIM cards at the point of sales, including not being equipped with the Automated Platforms, must not be allowed to register the Individual.

APPENDIX C

STANDARD OPERATING PROCEDURE

ISSUED PURSUANT TO THE COMMON CODE OF CONDUCT AND GUIDELINES ON REGISTRATION OF END-USERS OF PREPAID PUBLIC CELLULAR SERVICES (MCMC/G/01/17)

STANDARD OPERATING PROCEDURE (SOP)

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1. EFFECT

- 1.1. This Standard Operating Procedure ("SOP") shall have effect notwithstanding anything to the contrary in any agreement between a Dealer and a Service Provider.
- 1.2. The provisions of the SOP shall form part of the agreement between a Dealer and a Service Provider.

2. OBJECTIVE OF THE SOP

- 2.1. This SOP is developed by the Service Providers in consultation with the Commission.
- 2.2. The key objective of the SOP is to increase the effectiveness of the Dealers in implementing the registration of Prepaid Services' End-users in the manner as set out in the Guidelines.

PART A: PENALIZING DEALERS

3. PENALIZING OF DEALERS

- 3.1. Service Providers shall impose the necessary penalties on Dealers who have committed a breach of the Guidelines.
- 3.2. The type of penalties that will be imposed on the Dealers will depend on the severity of their offence which includes suspension and termination.

4. WHAT CONSTITUTES A BREACH

- 4.1. The following actions by a Dealer shall constitute a breach and shall be dealt in accordance to paragraph 5 below:
 - (a) not adhering to the required method of registration as contained in these Guidelines;
 - (b) failure to carry out proper verification in registering End-users;
 - (c) subject to Part E of the Guidelines, selling pre-activated SIM cards to End-users;

- (d) using End-users information to register new numbers without the knowledge of the particular End-user;
- (e) using any false information to register new numbers; or
- (f) any other matter the Commission deems appropriate.

PART B: GENERAL

5. DEALING WITH BREACHES OF THE GUIDELINES

- 5.1. Upon having knowledge of a possible breach of the Guidelines by Dealers, either through a complaint or own findings, a Service Provider shall undertake the following actions:
- (a) the Dealer will be sent a show cause letter in respect of the possible breach and shall submit to the Service Provider, a written submission within seven (7) days from the date of the issuance of the show cause letter, explaining whether or why such breach is committed.
 - (b) if the written submission is unsatisfactory or in the event the Dealer fails to respond to the show cause letter within the stipulated time, the Dealer's appointment shall be suspended immediately;
 - (c) Service Providers may conduct further investigation, and if the Dealer is found not to have committed any breach, the suspension shall be lifted.
 - (d) In the case of a repeated offence, the Service Provider shall immediately send a notice of suspension to the said Dealer upon the discovery of the subsequent offence and the Dealer shall be suspended for a minimum period of three (3) months.
 - (e) If the Dealer is found to be in breach of the Guidelines for three (3) times, the Service Provider shall terminate the Dealer's service.
- 5.2. If a complaint is made in respect of a breach of the Guidelines, in addition to the requirements in subparagraph 5.1 above, the Service Provider shall revert to the complainant within fifteen (15) days from the receipt of the complaint on the resolution of the said complaint.

- 5.3. Notwithstanding subparagraph 5.2 above, in the event that the complaint could not be resolved within fifteen (15) days from the receipt of the complaint, the Service Provider shall update the complainant on the status of the complaint and propose a new deadline to resolve the matter that:
- (a) shall be agreed by the Commission; and
 - (b) shall not be later than 30 days from the receipt of the complaint.
- 5.4 The Service Provider will update the Commission on the complaints received and the resolution of the same twice yearly.

6. MITIGATING CIRCUMSTANCES

- 6.1. The Dealers may appeal against the suspension by submitting any relevant documents and/or documentary evidence to substantiate that they have done all that is necessary to rectify the breach and have given a written undertaking that such breach will not reoccur in the future.
- 6.2. Each appeal will be reviewed and decided upon by the Service Provider on a case to case basis.