

**MEMORANDUM CIRCULAR
NO. 13-06-2000**

SUBJECT: BILLING OF TELECOMMUNICATIONS SERVICES.

Pursuant to RA 7925, EO546 series of 1979 and Act No. 146, Public Service Act, as amended and in order to promote the welfare of the consuming public, the following rules and regulations on the billing of telecommunications services are hereby promulgated.

A. BILLING STATEMENTS

1. Monthly billing statements (MBS) shall be received by the subscribers/customers not later than thirty (30) days from the end of each monthly billing cycle.
2. If the MBS is received beyond the period specified in Section A.1 but not beyond 180 days from the end of the monthly billing cycle, the subscriber/customer shall be allowed to pay the monthly bill within the following period:
 - a. Within ten (10) days from receipt of the MBS if the delay is one (1) month or less;
 - b. Within twenty (20) days from receipt of the MBS if the delay is more than one month but less than two (2) months;
 - c. Within two (2) months from receipt of the MBS if the delay is more than two (2) months but less than four (4) months;
 - d. Within four (4) months from receipt of the MBS if the delay is more than four (4) months but less than six (6) months.

The public telecommunications entity (PTE) shall not disconnect the service within said period. PTE includes the duly registered value added service providers.

3. If the MBS is received 180 days or beyond from the end of the monthly billing cycle as determined by the Commission, the Commission shall impose sanction against the PTE pursuant to law that may include the consideration of the bill having been paid.
4. Sections A.1 to A.3 shall refer to all local and national long distance calls, outgoing international paid calls and home country direct calls.
5. For incoming international collect calls, the subscribers/customer shall be allowed to pay the bills within the period equivalent to one half the number of days when the call was received up to the time the billing statement was received. The PTE shall not disconnect the service within this period.
6. For subscribers/customer of the PTEs whose bill is computed every quarter, the subscribers/customer are entitled to receive the quarterly billing statement (QBS) not later than one (1) month from the end of the quarterly billing cycle. If the QBS is received beyond thirty (30) days from the end of the quarterly billing cycle, the subscriber/customer can pay the bill within the period specified in Section A.2 (a to d). The PTE shall not disconnect the service within the period specified. For failure of the PTE to deliver the QBS within 180 days from the end of the quarterly billing cycle as determined by the Commission, the Commission shall impose sanction against the PTE pursuant to existing laws which may include the consideration of the bill having been paid.

7. In billing subscribers/customer the measurement of the pulse shall commence after the B-party (called party) sends the answer back signal, e.g. the B-party lifts the phone from the cradle. This provision shall apply to all calls including calls between interconnected networks.
8. There shall be no charge for calls that are diverted to voice mailbox, voice prompts, recorded messages and other similar facility that are within the network of the PTE excluding the customer premises equipment except customers who sign up for the service.
9. All charges shall be itemized in the billing statements.

B. SALE AND USE OF PREPAID CARDS

1. PTEs shall ensure that the customers of their prepaid SIM cards are properly identified and their addresses verified through the presentation of valid identification cards such as driver's licenses, passports Professional Regulations Commission certificates of registration IDs. If the sale of the prepaid SIM Cards is done through agents, PTEs should see to it that their agents submit to them the verified names and addresses of the prepaid SIM cards customers within twenty four (24) hours from date and time of purchase.
2. Ninety (90) days after the effectivity of this circular, prepaid cards including SIM cards used to access any authorized telecommunications services of the duly authorized PTE shall be valid for at least two (2) years from date of first use. Holders of prepaid SIM cards shall be given forty five (45) days from the date the prepaid SIM cards is fully consumed but not beyond two (2) years and forty five (45) days from date of first use to replenish the SIM card otherwise, the SIM card shall be rendered invalid. The validity of an invalid SIM card, however, shall be installed upon request by the customer at no additional charge except the presentation of a valid prepaid card.
3. PTEs shall submit shall submit to the Commission, within thirty (30) days from the effectivity of this circular, a list of all their authorized dealers/outlets nationwide. Thereafter, the PTEs shall submit updated list not later than fifteen (15) days after each quarter.
4. The PTEs shall ensure that there is sufficient supply of the cards in the market and that the prices of the prepaid cards are printed on the face of the cards. The prepaid cards shall be sold at the price indicated on the face of the cards. The PTEs shall see to it that the network capacity is sufficient to serve the number of cards in the market. The security access number shall be printed in such a way that numbers can be recognized easily.
5. The PTEs shall see to it that the rates of the services for which the cards are used are their authorized rates. The list of these rates shall be provided to each of the prepaid card customers at the time the prepaid card is purchased.
6. The PTEs shall be held responsible and liable for any violation committed by their authorized dealers/outlets.
7. Subscribers/customers shall be updated of the remaining value of their cards before the start of every call using the cards. This information shall be free of charge.
8. PTEs shall not bar the use of the cards, except stolen or fraudulent cards, until fully consumed or beyond the validity of the cards for any authorized service of the PTEs for which the cards are sold including short messaging service.

9. The PTEs shall charge any rate for any feature or value added service without the Commission being be informed or without the value added service being registered with the Commission respectively.
10. PTEs shall maintain call details of all pre-paid SIM card customers.

C. UNIT OF BILLING OF CELLULAR MOBILE TELEPHONE

1. The unit of billing for the cellular mobile telephone service whether postpaid or prepaid shall be reduced from one (1) minute per pulse to six (6) seconds per pulse.
2. The authorized rates shall be reduced correspondingly, i.e. the rates per minute shall be divided by 10.
3. The CMTS operators shall be given ninety (90) days from the effectivity of this circular to comply with Section C hereof.

D. DEREGULATION OF RATES FOR LEASED LINE AND CELLULAR MOBILE TELEPHONE SERVICES

1. The rates for national and international leased lines and cellular mobile telephone services (CMTS) are hereby deregulated. Leased lines shall include leased channel, capacity, circuit, speed or bandwidth.
2. The maximum rates shall be the prevailing approved rates as of the date of the effectivity of this circular. The CMTS and leased line operators shall submit to the Commission list of the prevailing rates not later than ten (10) days from the effectivity of this circular.
3. CMTS operators intending to implement additional price plans other than the prevailing authorized price plans as of the date of the effectivity of this circular shall seek the approval of the Commission.
4. The rates shall be effective after three (3) days from date of publication in a newspaper of general circulation and a certified true copy furnished the Commission.
5. The Commission shall set the minimum rates should there be indications of predatory pricing or cutthroat competition.
6. The Commission shall review and set the rates ceiling annually.

E. INTERCONNECTION AGREEMENTS

1. Existing interconnection agreements shall be modified or revised to conform with the provisions of this memorandum circular not later than thirty (30) days from the effectivity of this circular.
2. All interconnection agreements entered into after the effectivity of this circular shall comply with the provisions of this circular.

F. SANCTIONS

PTEs found to have violated the provisions of this memorandum circular shall be subject to penalties pursuant to existing laws.

G. EFFECTIVITY

This circular shall take effect fifteen (15) days after its publication in a newspaper of general circulation and three (3) certified true copies furnished the UP Law Center.

Quezon City, Philippines, June 16, 2000.

(SGD.) JOSEPH A. SANTIAGO
Commissioner

(SGD.) NESTOR C. DACANAY
Deputy Commissioner

(SGD.) AURELIO M. UMALI
Deputy Commissioner