

Mexico City, March 19<sup>th</sup>, 2015

## IFT PLENARY APPROVES THE NEW FORMAT OF THE BILL TO BE DELIVERED BY TELÉFONOS DE MEXICO TO ITS CUSTOMERS ON ITS CHARACTER OF PREPONDERANT ECONOMIC AGENT

- From the billing month of April, the Telmex and Telnor bill format will contain clearer and detailed information on services and / or goods that users will pay
- For the first time, unique concessions for commercial use are going to be granted; the Plenary determine 12 applications under this figure, which may provide all kinds of public telecommunications services and broadcasting
- They decided to declare the loss of assets for the benefit of the nation, derived from the assurance of equipment for the use of frequencies for leased public transport without permission in three locations
- The Commissioner President, Gabriel Contreras Saldívar, presented his first state Report that holds the management of human, financial, material and technological IFT resources

In regular meeting yesterday, the Plenary of the Federal Telecommunications Institute (*Instituto Federal de Telecomunicaciones*, IFT) approved the format of the telephone bill by which Teléfonos de Mexico (Telmex) and Teléfonos del Noroeste (Telnor), as members of the Preponderant Economic Agent (PEA) in the telecommunications sector, will bill telecommunications services, and any other goods and / or different services from telecommunications provided to its customers, so the users can have clear and transparent information on what they will pay.

According to the Forty-seventh measure of the Preponderance Measures imposed by the IFT at PEA in the telecommunications sector, that it must notify to all the subscribers, by printed notice or electronic invoice, by the Institute authorized formats, the amount the user would have to pay if he/she decides to conclude, at the billing time, his/her contractual relationship, derived from the sale of goods or services other than telecommunications.

Thus, the sale of goods or services other than telecommunications, may not become a cause for which the subscriber cannot cancel the telecommunications services contracted.



Similarly, the Forty-eighth extent of these measures provides that PEA must disaggregate the concepts collected or billed to the subscriber, distinguishing the concepts associated with telecommunications services provided by that agent, of any other good or service that is not telecommunications or any service provided by another company hired by the subscriber and billed by the Preponderant Economic Agent. The format of the bill must allow the independent payment of telecommunication services provided by the PEA and any other goods or services included in the bill.

Even when there are debts associated with goods or services other than telecommunications, or any other service provided by another company and billed by the Preponderant Economic Agent, it may not interrupt the provision of services, provided that the subscriber is currently up to date with the payments for the rendered telecommunications services.

Thus, from the billing month of April, the bill format Telmex and Telnor will contain:

- a) A notice indicating the amount the user would have to pay if he/she decides to terminate at the time of billing, the contractual relationship, derived from the sale of goods or services other than telecommunications.
- b) Clearly distinguish the concepts associated with rendered telecommunications services, any other good or service that is not telecommunications or any service provided by another company hired by the subscriber and billed by these companies.
- c) Allow the independent payment for telecommunications services provided and any other goods or services included in the bill.



Likewise, users may find that due to the elimination of national long distance, all calls originating within the country are considered local service calls.

Moreover, the Plenary of the Institute decided to award 12 concession titles for commercial use, which can be possible to provide all kinds of public telecommunications and broadcasting. It is the first time the Institute approves grants under this figure referred to in the Federal Telecommunications and Broadcasting Law. Six of these new concessions relate to individuals and six to juridical persons.

It was also decided to declare the loss of assets for the benefit of the nation, derived from the assurance of equipment for the use of frequencies for leased public transport without license, the permit, authorization or respective allocation in three locations in Nuevo León: 158.8625 MHz, in Apodaca, 463 525 MHz, in San Nicolás de los Garza; and 156.300 MHz in San Pedro Garza García. In the first two cases there were also economic sanctions.

In other matters, the Commissioner President of the Institute, Gabriel Contreras Saldívar, presented his first status report that holds the management of human, financial, material and technological IFT resources, pursuant to the provisions of Articles 20, section III of the Federal Telecommunications and Broadcasting Law and 14 Section I of the Organic Statute.

The report presents the main actions, measures, standards and strategies adopted by the Administration Unit of the Institute, from the administrative transition in 2013 with the disappearance of Cofetel and the creation of IFT and until the first two months of 2015. This represents an exercise transparency and accountability in the use of public resources entrusted to the Institute to fulfill its responsibilities and provides elements and as appropriate for anyone interested in understanding and assessing institutional performance information. The report will be presented annually in the month of March.



Attached to the document, the Institute's financial statements are presented at December 31, 2014 with the report of Auditores Independientes Mancera, S.C. integral part of Ernst & Young Global. It should be noted that the Institute auto-imposed the obligation to audit their financial statements at the end of each fiscal year by an independent accountant, before submission to the Secretariat of Finance and Public Credit, in order to submit their audited figures.

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The Federal Institute of Telecommunications (IFT) is the autonomous body entrusted with the regulation, promotion and supervision of the efficient performance of broadcasting and telecommunications sectors in Mexico, and also exercises, in exclusive manner, the authorities in matters of economic competition of such sectors pursuant to the Decree whereby several provisions of Articles 6, 7, 27, 28, 94 and 105 of the Political Constitution of the United Mexican States are amended and supplemented in telecommunications matters, published in the Official Gazette of the Federation on June 11<sup>th</sup> of 2013.

Media Relations Department Insurgentes Sur 1143 1<sup>st</sup> floor, Col. Nochebuena, Benito Juárez. C.P. 03720 50 15 40 21 and 50 15 42 00 www.ift.org.mx