

23rd October 2012

Mr. Andrei Torriani
Chief Executive Officer
Melita Plc
Mriehel By-Pass
Mriehel BKR 3000

Directive to Melita plc to ensure compliance with the requirements of the provisions of regulation 36(1) and (2) of the Electronic Communications Networks and Services (General) Regulations (SL 399.28 of the Laws of Malta)

1. The Malta Communications Authority (the 'MCA') has received complaints by subscribers against Melita plc ('Melita') that they were being asked to pay early termination charges with respect to contracts that have been renewed after the initial contract period has expired. These complaints have been settled. However MCA desires to ensure, with respect to contracts that have been renewed following an initial contractual period, that:

1.1 Under no circumstances, will Melita require such subscribers to pay an early termination charge. MCA wants to ensure that subscribers in such instances are not asked to pay an early termination charge in breach of regulation 36(2) of SL 399.28; and

1.2 Melita refunds any early termination charges to those subscribers who paid any such charges with respect to contracts that have been renewed after the initial contractual period has expired.

2. The MCA notes that regulation 36(2) of SL 399.28 expressly states that no termination charges shall apply with respect to contracts that have been renewed after an initial contract period has expired.

3. In correspondence with Melita on the subject MCA sought a written assurance from Melita that it would not apply an early termination charge to those subscribers whose contract has been renewed following the initial contract period, and who wish to terminate their contract. Melita did not provide such a written assurance.

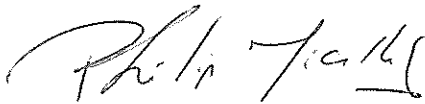
4. The MCA in line with its powers at law – specifically in line with article 4(6) of the Malta Communications Authority Act - is issuing this directive as it considers that it is necessary for the MCA to ensure compliance by Melita with the requirements of regulation 36 of SL 399.28 – specifically with subregulations (1) and (2) thereof.

5. The MCA therefore requires Melita:

5.1 with immediate effect to ensure that its subscribers are, in all instances in accordance with regulation 36(1), able to terminate their respective contract through simple means;

5.2 with immediate effect to desist from applying any early termination charges if not in accordance with the provisions of regulation 36(1) and (2) of SL 399.28; and

5.3 Upon request where justified to refund those subscribers who terminated their contract during a renewed contractual period following the lapse of their initial contract period and who paid an early termination charge contrary to the requirements of regulation 36(2) of SL399.28.



Ing. Philip Micallef
Chairman
Malta Communications Authority