

Separate Sheet 1

## Guideline for SIM Unlocking

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The Ministry of Internal Affairs and Communications

### 1. Purpose

Many of the handheld telephone terminals (hereinafter referred to as “terminal”) sold by telecommunication business operators (hereinafter referred to as “business operator”) that then provide mobile telecommunication services (hereinafter referred to as “service”) for them in Japan are SIM (Subscriber Identity Module) locked, thereby making use of them with the SIM card of a business operator other than the business operator who sold them is impossible.

With the present situation even if a terminal is unlocked and another business operator’s SIM card is then inserted into the terminal, all or some part of utilization of the communication services and applications, etc. can be restricted because the specifications of the communication system, frequency, platform, etc. differ from one business operator to another.

These problems are expected to be solved in the future through the introduction of the 3.9<sup>th</sup>-generation mobile communication system or high penetration of terminals that do not necessarily have to use a specific business operator’s network as a precondition, etc. Currently too, however, requests for unlocking terminals are being heard from handheld telephone users (hereinafter referred to as “user”), e.g. that they wish to use a Japanese terminal overseas with a e SIM card of a business operator in the country where they are travelling or wish to use the same terminal they have used so far and change their business operator contract to another using number portability system.

To meet those requests, business operators will be expected to deal with unlocking terminals to the extent possible voluntarily

The mobile business activation plan that was formulated in 2007 set forth: “In principle, unlocking mobile devices is desirable, however future developments should be

monitored carefully for time being, and it would be appropriate to reach a final conclusion on legally mandating unlocking, primarily for 3.9G or 4G, during the year 2010.” With respect to the current problems above, however, legislation is suspended and voluntary attempts from business operators are requested for the time being.

## 2. Position of this Guideline

This Guideline does not force business operators to unlock terminals, however, business operators are expected to work on SIM unlocking along this Guideline from user’s view point.

## 3. Definition

This Guideline includes the following definitions.

### (1) SIM card

An IC card on which information such as the user’s telephone number and identification number, etc. is recorded.

### (2) SIM lock

A setting on a terminal that only allows it to be used with a specific business operator or with a specific user’s SIM card.

### (3) SIM unlock

Not to lock terminals the operators sell (including any terminals that the business operator sells to sales outlets, etc. who then sell them to users; hereinafter the same) from when to sell or to unlock them afterwards.

## 4. Target terminals

Mobile devices will be unlocked beginning with feasible devices among the new devices to be launched in fiscal year 2011 onward.

Business operators shall explain to subscribers following matters when 1) selling

devices, 2) unlocking devices and 3) entering into agreements concerning the provision of services: Conditions and procedures on unlocking devices and the possibility that usage of communications and other services may be restricted when SIM cards of other operators are inserted into the device.

5. Provision of the services to a user using a terminal provided from other operators, etc.

Unless there is a valid reason for refusing provision of services, business operators\_ have to comply with providing users using terminals provided from other operators. Business operators also have to comply with requests for connections from users as far as the terminals meet the necessary technical standards.

6. Accountability

Business operators should make effort to make users understand the benefits and points to keep in mind with regard to SIM unlock. The following items should be explained to users in particular.

If business operators sell terminals to sales outlets, and then they sell the terminals to users or make service contracts through an agent, the business operator should ensure that explanation is provided to the users by way of creating manuals on the following items and so on.

(1) The following items should be sufficiently explained to users when they buy a terminal.

- ① Whether the terminal is unlocked or not
- ② The conditions and procedure for unlocking
- ③ The possibility exists that all or some part of usage of communication services and applications, etc. will be restricted if another business operator's SIM card is inserted

(2) If a terminal is to be unlocked after the terminal has been sold, the following items should be sufficiently explained to the user at that time.

- ① The conditions and procedure for unlocking

② The possibility exists that all or part of utilization of communication services and applications, etc. will be restricted if another business operator's SIM card is inserted

(3) If a provision of service is concluded, it should be sufficiently explained to that the possibility exists that all or part of utilization of the communication services and applications will be restricted.

#### 7. Dealing with communication service malfunctions/terminal failures

In the case of a communication service malfunction/terminal failure, the business operator should improve the system for dealing with the users, and should proceed with consultations on the method of notifications, etc. with the business operators, etc. that sell the terminals.

In the case of a terminal failure, incidentally, the business operator, etc. who sold the terminal also should deal with the user.

#### 8. Other

##### (1) Dealing with risks to privacy

The possibility of risks to privacy, e.g. unintentional provision of user names can increase in arrangements for content providers to constantly verify that access is from the same user, and hence business operators should take the necessary measures to lessen that risk.

##### (2) Dealing with user's other concerns

Business operators should make a sincere attempt to deal with any user concerns resulting from SIM unlocking, as well as (1).

##### (3) Dealing with conformity to technical standards

Business operators, being the terminal licensees, shall take the appropriate measures such as verifying a terminal's conformity to technical standards and revealing any relevant matters to users and so on to prevent users from using terminals which do not

meet the relevant technical standards, etc.

(4) Dealing with illegally obtained terminals

In view of the possibility of the SIM unlocking can increase the incentive to obtain a terminal by illegal means, such as theft, it is appropriate for business operators to take the proper measures such as coordination between business operators and so on as necessary.

(5) Dealing with other matters concerning terminals

This Guideline does not request business operators to make terminals compatible with other business operator's specifications concerning the communication system, frequency, platform, etc, it is desirable, however, that they should make the effort to make their terminals more compatible in the light of the purpose of this Guideline.

(6) Review of this Guideline, etc.

The Ministry of Internal Affairs and Communications will review this Guideline and take the necessary measures along with following changes :

① The attempt of business operators for the SIM unlocking

Users' evaluation for SIM unlocking by users ③ The attempt of communication services and applications, etc. in case of inserting other operators' SIM to unlocked terminals