

**BROADCASTING ORDINANCE
(CHAPTER 562)**

**DIRECTION
(SECTION 24(1))**

To: Asia Television Limited

Date: 2 February 2015

Interpretation

In this Direction, unless the context otherwise requires,

“ATV” means Asia Television Limited, a holder of the Licence;

“Authority” means the Communications Authority;

“Licence” means the domestic free television programme service licence issued by the Chief Executive in Council under the Ordinance;

“Ordinance” means the Broadcasting Ordinance (Cap. 562);

“Regulation” means the Broadcasting (Licence Fees) Regulation (Cap. 562A);

“fixed licence fee” has the same meaning as defined or specified in section 2(1)(a) of Schedule 1 to the Regulation.

Background

Section 13(1) of Schedule 4 to the Ordinance stipulates that a domestic free television programme service licensee shall pay annually to the Authority a prescribed licence fee and such other fees as may be prescribed.

2. Section 2(1)(a) and section 3(1) of Schedule 1 to the Regulation provide that ATV shall pay to the Authority the annual fixed

licence fee of \$4,701,400 not later than 14 days after the commencement of the licence year. Under Condition 14.1 of the Licence, ATV shall pay to the Authority every year during the period of validity such licence fee in advance as may be prescribed.

3. The fixed licence fee payable by ATV for the licence year from 1 December 2014 to 30 November 2015 (“the licence year 2014/2015”) was due on 15 December 2014. Despite receiving demand notes and reminders for the settlement of the fixed licence fee, ATV has failed or refused to pay the fixed licence fee as of today.

4. Having considered the circumstances of the case, the Authority is of the view that ATV’s failure or refusal to pay the fixed licence fee by the statutory deadline is in breach of Condition 14.1, section 13(1) of Schedule 4 to the Ordinance, and section 3(1) of Schedule 1 to the Regulation.

5. Taking into account the severity, nature and duration of the breaches, the Authority decides that a financial penalty of \$100,000 should be imposed on ATV for the breaches of the relevant provisions and licence conditions. The Authority is satisfied that a financial penalty of \$100,000 is, in all the circumstances of the case, proportionate and reasonable in relation to the breach concerned.

6. Section 24(1) of the Ordinance empowers the Authority to issue directions in writing to a licensee requiring it to take such action specified in the notice as the Authority considers necessary in order for the licensee to comply with any requirement under, among others, a prescribed Ordinance or any licence condition applicable to it.

Direction

7. The Authority, in exercise of its power under section 24(1) of the Ordinance, hereby directs ATV to pay the fixed licence fee of \$4,701,400 together with interest (viz. \$4,773,474) by two instalments as follows-

- (a) the first instalment of \$2,410,001 by **18 February 2015;**
and
- (b) the second instalment of \$2,363,473 by **18 March 2015.**

Failure to comply with this Direction may result in the Authority imposing further sanctions on ATV including invoking the procedures for revocation of the Licence in accordance with the Ordinance.

8. This Direction will be published on the Authority's website: www.coms-auth.hk in accordance with section 24(3) of the Ordinance.

(Miss Eliza Lee)
for Communications Authority
2 February 2015