FINAL DECISION OF THE COMMUNICATIONS AUTHORITY

ALLEGED MISLEADING OR DECEPTIVE REPRESENTATIONS BY HONG KONG BROADBAND NETWORK LIMITED IN RELATION TO THE ADVERTISING CAMPAIGN ON "EXCLUSIVE SWITCHING OFFER TO PCCW RESIDENTIAL FIXED LINE CUSTOMERS AT ONLY HK\$9.9/MONTH"

Licensee concerned:	Hong Kong Broadband Network Limited ("HKBN")
Issue:	The representations made in HKBN's advertising campaign on "Exclusive Switching Offer to PCCW Residential Fixed Line Customers at Only HK\$9.9/month" were alleged to be misleading or deceptive
Relevant Instrument:	Section 7M of the Telecommunications Ordinance ("TO") (Cap. 106)
Decision:	Breach of section 7M of the TO
Sanction:	Financial penalty
Case Reference:	7M/2/6-12

THE COMPLAINT

On 27 June 2011, the former Office of the Telecommunications Authority ("OFTA") received an industry complaint alleging that the representations made by HKBN in relation to its advertising campaign on "Exclusive Switching Offer to PCCW Residential Fixed Line Customers at Only HK\$9.9/month" ("Switching Offer") (Chinese version "電訊盈科家居電

話用戶獨享攜號轉台優惠月費只需 HK\$9.9" ("轉台優惠") were misleading or deceptive.

- 2. According to the information provided by the complainant on 27 June 2011, the advertising campaign was launched on 10 June 2011 and aimed directly at the then existing customers of PCCW's residential telephone line ("PCCW RTL") service for switching their subscriptions to HKBN's residential telephone ("HKBN HomeTel") service. The complainant alleged that the advertising campaign included the followings
 - (a) Advertisements in local newspapers and magazines ("News Ad") about the Switching Offer with headline "At Only HK\$9.9*/month" (Chinese version: "月費只需HK\$9.9*") (Annex A).

In the concerned advertisement headline, the superscript * referred reader to a **fine print** at the bottom of News Ad (**Annex B**). In the fine print, the relevant information relating to this complaint is extracted as follows –

- (i) This offer is only applicable to existing PCCW RTL customers;
- (ii) The subscriber will be charged a non-refundable installation fee of HK\$200;
- (iii) The monthly service fee for HKBN HomeTel service is HK\$9.9. The monthly service fee for HKBN HomeTel service with four Value-Added Services ("VAS") (viz. Caller Display, Call Waiting, Conference Call and Block-the-blocker) is HK\$19.9. Subscriber must subscribe to a 24-month contract;
- (iv) Subscriber must (1) subscribe to and install designated HKBN HomeTel service on or before 30 June 2011; (2)

submit a duly completed Notification of Service Disconnection form ("NSD form") to HKBN within 30 days after installation of the HKBN HomeTel service; and (3) successfully port his/her existing residential telephone number to HKBN;

- (v) Offer is valid only while quota lasts; and
- (vi) The monthly service fee will be automatically increased to HK\$45 (for HKBN HomeTel service) and HK\$55 (for HKBN HomeTel service with VAS) for a 24-month contract in the following two situations: (1) subscriber failed to submit a duly completed NSD form to HKBN within 30 days after installation of HKBN HomeTel service or (2) subscriber had submitted a duly completed NSD form to HKBN but subscriber's existing residential telephone number was unable to be ported to HKBN successfully within 180 days after installation of HKBN HomeTel service.
- (b) **HKBN's Website** displaying the "Hong Kong Broadband Network HomeTel Service Plan Registration Form" (the "**Web Registration Form**") in Chinese (**Annex C**).

The concerned Web Registration Form included the terms and conditions listed in the fine print of News Ad and also other additional terms and conditions under the heading "家居電話服務補充" (English translation: "Supplements for the HKBN HomeTel service") which stated the following in Chinese –

- "1. 合約期後之家居電話服務月費為HK\$108。
- 客戶明白本服務在電力故障情況下不能正常運作,故不適用於接駁平安鐘或依靠平安鐘服務者使用。

3. 若客戶登記之服務安裝地址未能成功安裝「家居電話」, 香港寬頻將以「寬頻電話」代替。(如適用者)"

(English Translation

- "1. The monthly fee of the HKBN HomeTel service will become HK\$108 upon expiry of the contract.
 - 2. The customer acknowledges that the HKBN HomeTel service cannot be used in case there is power failure; and thus cannot be connected to the Personal Emergency Link ("PE Link") service or be used by users of the PE Link service.
 - 3. If the HKBN HomeTel service cannot be successfully installed at the registered installation address of the customer, HKBN will provide the "Broadband Phone Service¹" instead (if applicable).")
- (c) Mouse-over-pop-up advertisements (the "MOPU Ad"²) in five commercial websites among which MOPU Ad1³ at Annex D(1) promulgated the Switching Offer with the headline "月費只需 HK\$9.9" (English translation, "At Only HK\$9.9 per month") and MOPU Ad2⁴ at Annex D(2) gave a similar advertisement about the Switching Offer but with the four VAS included in the monthly fee of HK\$9.9/month with headline "月費HK\$9.9,包4項增值服務" (English translation, "HK\$9.9 per month including four VAS").
- (d) Poster (Annex E(1)) and handheld marketing materials (Annex E(2)) for display or distribution in HKBN shops and booths about

Broadband Phone Service is a broadband telephone service offered by HKBN for residential customers. This service connects a standard telephone to a broadband internet connection via a broadband phone adapter at the customer's premises.

MOPU Ad refers to advertisements that pop up when reader moves the mouse cursor over highlighted keywords "電話" (English translation: "Telephone") and "屋企" (English translation: "Home") on the websites concerned.

MOPU Ad 1 appeared in website at: hk.news.yahoo.com,

MOPU Ad 2 appeared in websites at: www.am730.com.hk, news.mingpao.com and www.am730.com.hk,

the Switching Offer with headline "月費只需 HK\$9.9*" (English translation, "At Only HK\$9.9* per month").

- (e) Chinese and English Press Releases in slightly different versions⁵ issued by HKBN on 10 June 2011 about the launch of the Switching Offer (the "Press Releases"). The Press Releases were attached with a copy of the News Ad.
 - (i) In the Chinese Press Release (**Annex F**), the following information was promulgated –

"現有電訊盈科家居電話服務的客戶攜號轉台,將可以超抵月費港幣\$9.90 享用合約期為24 個月的家居電話服務,每月節省港幣100.1元¹,24 個月合約節省高達港幣2,400元!

¹ 資料來源:於2011年6月10日,有關公司的網頁資料顯示家居 電話月費為港幣110元,供參考之用,詳情可瀏覽以下網址:

http://www.pccw.com/Consumer/Residential+Line/Local+Telephone +Services/Welcome+Special+Offer?language=zh_HK"

(English translation

"Existing PCCW RTL customers can switch and port their telephone number [to HKBN], and enjoy a super low monthly fee at HK\$9.9 under a 24-month contract, can save HK\$100.1 per month which amounts to a saving up to HK\$2,400 for a contract of 24 months.

The major differences between the Press Releases were that the Chinese Press Release included information to the effect that (a) the monthly saving was HK\$100 and the saving for a 24-month contract was HK\$2,400; and (b) some citizens were still paying HK\$60 or HK\$70 to HK\$100 as telephone fees monthly. Whereas, in the English Press Release, it did not mention about the 24-month saving but only stated that some customers were still paying fees up to US\$14/month (HK\$110) for local calls in Hong Kong and HKBN was pleased to offer HKBN HomeTel service at US\$1.30/month (HK\$9.90).

¹ Information source: As of 10 June 2011, information on the relevant company's webpage showed that the monthly fee of residential telephone was HK\$110, for reference only, details refer to the website below:

http://www.pccw.com/Consumer/Residential+Line/Local+Telephone+Services/Welcome+Special+Offer?language=zh_HK")

(ii) the English Press Release (Annex G) provided the following information—

"..... why is it that some customers are still paying up to US\$14/month (HK\$110¹) for local calls in Hong Kong? Available immediately, Hong Kong Broadband Network Limited is pleased to offer an AWESOME US\$1.30/month (HK\$9.90) HKBN HomeTel service for PCCW customers that port in their existing numbers to our network.

¹ Note: As of 10 June 2011

http://www.pccw.com/Consumer/Residential+Line/Local+Telephone+Services/Welcome+Special+Offer?language=en_US"

- 3. On 5 August 2011, the complainant further informed the former OFTA that the advertising campaign of HKBN also included the following
 - (a) An English Billboard Advertisement ("Billboard Ad") (**Annex H**) targeted at vehicular drivers was displayed at Cotton Tree Drive to promote the Switching Offer; and
 - (b) An electronic Direct Mail Advertisement ("eDM Ad") (Annex I) sent to HKBN's existing broadband customers with the theme "推薦家居電話新客戶即賞HK\$200賬額回贈" (English version: "Home Telephone Referral Program Enjoy HK\$200 rebate for service fee") to promote referrals of PCCW RTL customers to switch their subscriptions to HKBN HomeTel service.

- 4. The complainant alleged that the representations made in HKBN's advertising campaign were misleading or deceptive in the following aspects
 - Allegation 1: HKBN's advertising campaign was misleading (a) as to price – The headline charge of HK\$9.9 per month was alleged to be false, deceptive and misleading because in switching to use HKBN HomeTel service, switching customers were required to enter into a 24-month contract and pay an upfront non-refundable installation fee of HK\$200. The installation fee was equivalent to an additional charge of HK\$8.33 per month for a 24-month contract (i.e. HK\$200 / 24 months = HK\$8.33). Accordingly, a switching customer had to pay a minimum net effective monthly charge of HK\$18.23 (i.e. HK\$9.9 + HK\$8.33 = HK\$18.23), not HK\$9.9 as claimed by HKBN. For the Billboard Ad, the complainant emphasised that as the target readers were travelling on vehicles, they could neither read the fine print nor be aware that the effective monthly fee was in fact HK\$18.23 after averaging out the installation fee of HK\$200 over the 24-month contract period.
 - Allegation 2: HKBN's advertising campaign was misleading as to possible savings – Following the arguments above, the complainant alleged that if the installation fee was included and spread over 24 months, the actual monthly charge should be HK\$18.23 which was almost double the monthly charge of HK\$9.9 as claimed by HKBN. Therefore, the complainant considered that HKBN could not substantiate its claim in the Chinese Press Release, that existing PCCW customers can save up to HK\$2,400 ("Saving Claim") in switching to use HKBN HomeTel service. The complainant considered that the Saving Claim of HK\$2,400 (i.e. $(HK$110 - HK$9.9) \times 24$ months) = HK\$2,402) was misleading as HKBN had failed to take into account the installation fee. At best, the complainant considered that the Saving Claim should be HK\$2,202 (i.e. (HK\$110 -HK\$18.23) x 24 months), not HK\$2,400.

as to follow-on price – The complainant alleged that HKBN had failed to alert switching customer that upon expiry of the 24-month contract, HKBN would charge the switching customer a monthly fee of HK\$108. The complainant considered that the follow-on price was more than 10 times the headline charge at HK\$9.9 per month, but this important pricing information was only available in the Web Registration Form on HKBN's website. Further, the complainant considered that the target customers of the advertising campaign were likely to be stable (and perhaps elderly) customers who could be expected to remain with HKBN after the expiry of the 24-month contract. The complainant took the view that the failure to disclose the follow-on price of HK\$108 per month was silence or deception by omission which might have contravened section 7M of the TO.

The complainant made reference to paragraphs 3.11 to 3.13 of the "Guidelines on Misleading or Deceptive Conduct in Hong Kong Telecommunications Markets" (the "7M Guidelines"⁶), and in particular highlighted paragraph 3.11 thereof which states that:

"silence is "conduct" under section 7M and a licensee's silence or non-disclosure may amount to misleading or deceptive conduct where it is necessary to reveal relevant facts to prevent consumers from being misled. Licensees must not mislead by half-truths or remain silent in a situation where consumers have a reasonable expectation that the licensee will provide them with specific information."

(d) Allegation 4: HKBN's advertising campaign was misleading as to failure to disclose material information – The complainant

The 7M Guidelines was issued by the former Telecommunications Authority ("TA") on 21 May 2003 and is available at: http://tel_archives.ofca.gov.hk/en/report-paper-guide/guidance-notes/gn_20030521.pdf.

alleged that the information that the HKBN HomeTel service could not be used during power failure and thus could not support the PE Link service was not mentioned in the News Ad (and also in other promotional materials). This important piece of information was only available in the Web Registration Form on HKBN's website. The complainant considered that the Switching Offer was targeted at PCCW RTL customers among whom a significant percentage were elderly and cost sensitive customers and that a service without power backup was not comparable to the PCCW RTL service. The complainant had made seven different calls to the HKBN hotline to enquire if HKBN HomeTel service could support the PE Link service in the seven buildings⁷ randomly selected by the complainant. According to the complainant, the HKBN's hotline staff consistently responded that HKBN HomeTel service could not support PE Link service as there was no standby power available in the seven buildings concerned.

The complainant further alleged that HKBN had not disclosed in the News Ad (and also in other promotional materials) the information that if HKBN HomeTel service could not be successfully installed at the registered installation address of the customer, HKBN would provide "Broadband Phone Service" instead. This information was only available in the Web Registration Form on HKBN's website⁸.

(e) Allegation 5: HKBN HomeTel service did not comply with the Code of Practice for Provision of Backup Power Supply for Local Fixed Telephone Service ("COP on BPS") – The complainant considered that HKBN did not comply with the COP

⁸ OFCA notes that information that Broadband Phone service would replace HKBN HomeTel service was also available at Remark 6 of the eDM Ad (Annex I).

The seven buildings were Bedford Gardens (North Point), Vision City (Tsuen Wan), Block 2, Grandway Garden (Tai Wai), Fu Nga House, Fu Keung Court (Lok Fu), Block 2, New Jade Gardens (Chai Wan), Tower 1, Metro City Phase 1 (Tseung Kwan O) and Block 1, Tai Po Centre (Tai Po).

The CoP on BPS was issued by the former TA on 26 September 2003 and available at: http://tel_archives.ofca.gov.hk/en/code/cop20060419.pdf.

on BPS, which states that for network equipment installed in customer buildings, the backup power supply systems should have a capacity of at least one hour endurance during outage of public electricity supply.

Allegation 6: HKBN's advertising campaign did not compare (f) its service with that of PCCW on a "like for like" basis – The complainant pointed out that HKBN was not comparing its service with PCCW's service on a "like for like" basis by making reference to paragraph 3.23 of the 7M Guidelines relating to Comparative Advertising. The complainant said that in the Press Releases, the price comparison between HKBN's best promotional offer at the price of HK\$9.9 per month and PCCW's maximum published price of HK\$110 was not a "like for like" comparison. The complainant opined that PCCW's maximum published price was rarely the actual price paid by the customers, and substantial discounts were routinely provided along with free VAS, free IDD, gifts, cash rebates, and etc. The complainant noted that PCCW's website featured 24 month term plan for PCCW RTL service offered with a variety of free gifts valued up to HK\$1,298 and discounted gifts with savings valued up to HK\$7,380. Moreover, cash rebates up to about HK\$500 might also be available under certain circumstances. The complainant provided to the former OFTA a printout from PCCW's website about the RTL offers (Annex J).

The complainant also said that the VAS offered by HKBN in the Switching Offer included only four VAS and at an additional fee of HK\$10 per month. However, the complainant considered that many PCCW's customers received six VAS (i.e. in addition to the four VAS provided by HKBN, there were two more VAS of Local Call Transfer and Music on Hold) without any additional charges.

Therefore, the complainant considered that even if the Saving Claim was HK\$2,202 with the inclusion of the installation fee of

HK\$200, it was misleading as HKBN had failed to take into account the substantial discount, free gift and cash rebates which PCCW customers would receive. The complainant concluded that HKBN had not compared like for like, either as to price or term, as regards services of HKBN and PCCW.

- (g) Allegation 7: HKBN's advertising campaign was inconsistent as to the treatment of the four VAS The complainant pointed out that the MOPU Ad2's claim that "月費HK\$9.9,包4項增值服務" (English translation, "HK\$9.9 per month including four VAS") was different from other advertisements in which the monthly fee of HK\$9.9 was exclusive of the four VAS.
- (h) Allegation 8: HKBN's advertising campaign possibly involved "bait advertising" The complainant considered that the Switching Offer advertised by HKBN had a relatively short registration and installation deadline ("Deadline"), e.g. before 30 June 2011. It was possible that HKBN was using "bait advertising" to attract and lure PCCW customers to use HKBN HomeTel service. Under either set of the circumstances as outlined in the fine print, they would be required to pay a higher fee of HK\$45 or HK\$55 (including four VAS) per month.
- (i) Allegation 9: The statement "offer valid while quota lasts" was misleading or deceptive The complainant pointed out that the statement "offer valid while quota lasts" which appeared in the fine print of earlier advertisements was no longer included in the eDM Ad. In addition, the Deadline had been extended twice (from 30 June 2011 to 31 July 2011 and then to 31 August 2011). These together indicated that the statement "offer valid while stock lasts" was misleading or deceptive as there was no such quota and instead a misleading sense of urgency in subscribing to HKBN HomeTel service was created.

THE INITIAL ENQUIRY

- 5. The former OFTA collected information on the Switching Offer upon receipt of the complaint. Apart from the promotional materials that were identified by the complainant, the former OFTA found that there were also advertisements in HKBN's website and HKBN's Facebook as follows
 - (a) English and Chinese advertisements published on HKBN's website about the Switching Offer with headline "Monthly At Only HK\$9.9*" (Chinese version, "月費只需HK\$9.90*") (the "Web Ad") at **Annex K**; and
 - (b) A Chinese advertisement published on HKBN's Facebook about the Switching Offer with headline "月費只需 HK\$9.90* 立即登記" (English translation, "At Only HK\$9.9* per month, Register Now") (the "Facebook Ad") at **Annex L**.

THE INVESTIGATION

6. Having considered the complainant's allegations and the information available, the former Telecommunications Authority ("TA") considered that with the exception of **Allegation 3** (on follow-on price), **Allegation 5** (on compliance with COP on BPS) and **Allegation 9** (on the "offer valid while quota lasts" statement), the allegations raised by the complainant were within the scope of section 7M of the TO and there were reasonable grounds for him to suspect that there might be a breach of section 7M by HKBN. Section 7M provides that —

"A licensee shall not engage in conduct which, in the opinion of the Authority, is misleading or deceptive in providing or acquiring telecommunications networks, systems, installations, customer equipment or services including (but not limited to) promoting, marketing or advertising the network, system, installation, customer equipment or service."

- 7. On **Allegation 3**, the former TA considered that the follow-on price of HK\$108 per month did not form part of the Switching Offer. Customers who were not satisfied with the follow-on price could cease using the service after the expiry of the 24-month contract with HKBN. Furthermore, the complainant had not adduced any concrete evidence to support its allegation that the target customers of the Switching Offer were stable and elderly persons who could be expected to remain with HKBN after the expiry of the 24-month contract.
- 8. On **Allegation 5**, the former TA considered that whether HKBN had complied with the COP on BPS was a separate regulatory issue that fell outside the scope of section 7M of the TO.
- 9. On **Allegation 9**, that the statement "offer valid while quota lasts", being absent in the eDM but was included in previous advertising materials was misleading or deceptive (if in fact there was no quota for the previous offer), the former TA noted that the statement concerned was in fact found in the eDM (**Annex I**). Accordingly, the complainant's allegation is not substantiated. Regarding the extension of Deadline for the Switching Offer, the former TA noted that it was not uncommon for the industry to have different promotional phases for a marketing campaign with different deadlines and to extend the original deadline in response to the market situation. The former TA also considered that imposing a quota system in each of the promotional phases should be a business decision and in this context it is not an issue that fell within the scope of section 7M.
- 10. On 22 July 2011, the former OFTA commenced an investigation and requested HKBN to provide information in relation to the allegations raised by the complainant, with the exception of Allegations 3, 5 and 9 for reasons as explained above. In addition, HKBN was invited to make representations to the former TA and the CA on the matter.

HKBN's Representations

- 11. HKBN submitted that the Switching Offer was first launched on 10 June 2011 with the Deadline initially set on 30 June 2011. However, due to the overwhelming response, the Deadline was extended a few times.
- 12. In its representations, HKBN advised that there was an additional Chinese Billboard Advertisement (**Annex M**) displayed at Yuen Long LRT Stations promoting the Switching Offer. The Chinese and English Billboard Advertisements are collectively referred to as the "Billboard Ads". HKBN's representations on the allegations are as follows:

Allegation 1: HKBN's adverting campaign was misleading as to price

13. HKBN responded that for fixed and mobile services, there were recurrent fee and non-recurrent fee. It was generally accepted by the industry that the "monthly fee" referred to all types of recurrent charges that a customer had to pay on a monthly basis (such as "VAS" and "Licence / Tunnel Fee", if applicable) for a service. On the other hand, the non-recurrent fee referred to those one-off payments, such as the installation fee. HKBN pointed out that it was commonly understood that the non-recurrent installation fee would not be included in the calculation of the monthly fee. Therefore, HKBN considered that the installation fee of HK\$200 did not alter the key message of the promotional materials that the monthly fee of HKBN HomeTel service was HK\$9.9. HKBN considered that any reasonable man could not have been misled or deceived by the presentation of the installation fee as alleged by the complaint.

Allegation 2: HKBN's adverting campaign was misleading as to possible savings

14. HKBN submitted that the Saving Claim of HK\$2,400 for a 24-month contract in the Chinese Press Release was derived by subtracting the Switching Offer of HK\$9.9 per month from PCCW RTL service at listed price

of HK\$110 per month and then multiplying by 24 months (i.e. (HK\$110 – HK\$9.9) x 24 months = HK\$2,400). The reference to PCCW RTL service at HK\$110 per month was based on the information posted at PCCW's website on 10 June 2011. And, given that the installation fee was a one-off non-recurrent payment of fee and it had been clearly set out in the terms of the Switching Offer for customers' attention, HKBN considered that no adjustment in the Saving Claim was necessary.

- 15. HKBN argued that the Press Releases were not marketing materials but were merely a corporate information release which was not targeting the general public. The Chinese Press Release was issued to 20 media partners and the English Press Release was sent by email to around 6,000 selected recipients who were vendors, investors and those with close connections to the telecommunications industry (collectively known as "friends of HKBN"). HKBN further argued that the Press Releases did not have the function of an advertisement in delivering or promoting the product or service to the target customers or recipients to make any purchasing decisions based on the message of the advertisement. HKBN submitted that the journalists should have sufficient knowledge about HKBN and the telecommunications market that information in the Chinese Press Release would only be used as supporting document for news reporting or columns writing. HKBN stated the fact that the contacts given in the Press Releases for directing enquiries were its corporate communications team and investor engagement team would strengthen its argument that the Press Releases were not marketing materials. HKBN argued that it should be clear that no elements in the Press Releases would cause a reasonable man to believe that they were marketing materials.
- 16. HKBN further argued that the HK\$200 discrepancy in terms of the possible saving of over HK\$2,000 was not material information to a reasonable person in making a purchase decision.

Allegation 4: HKBN's adverting campaign was misleading as to failure to disclose material information

17. HKBN submitted that the impact of power outage on HKBN

HomeTel service was insignificant because according to the information available in the website of China Light and Power ("CLP"), the duration of unplanned power interruption per year was only 2.6 minutes during the period between 2008 and 2010. In the situation of planned power outage, HKBN had implemented a contingency plan under which its technical teams would be dispatched to connect the telephone system with diesel power generator in order to ensure that basic telephone service could be maintained during power outage. HKBN further pointed out that the former TA initiated inquiries and issued a report on 27 September 2004 (the former "TA Report 2004")¹⁰ which stated that "...the [former] TA does not consider the Broadband Phone's reliance on working power supply to be a material section 7M issue."

- 18. HKBN claimed that it had fully complied with the requirements stipulated under the COP on BPS, by submitting to the former TA a building list specifying the status of work being carried out on the provision of backup power supply on a bi-annual basis and by notifying customers about the power outage problems. Regarding the seven buildings where the complainant alleged that no backup power supply was available, HKBN replied that six of them had been classified as sites not feasible to install backup power supply while the remaining one was a Fibre-to-the-Home site for which no backup power supply was required.
- 19. HKBN pointed out that the monthly subscription fee for Broadband Phone Service and HKBN HomeTel service under the Switching Offer was the same, i.e. HK\$9.9 (without VAS) and HK\$19.9 (with four VAS). HKBN submitted that both HKBN HomeTel service and Broadband Phone Service were identical to traditional telephone service in the sense that customers of the two services could make and receive local and international calls and enjoy full range of VAS features.
- 20. HKBN further pointed out that registration for the Switching Offer must either be through the registration webpage or via HKBN's hotline. At the time when customers registered for the Switching Offer they would learn about

The report is available at: http://tel_archives.ofca.gov.hk/en/report-paper-guide/report/rp20040927.pdf.

the supplementary information on the power outage issue, the limitation of using PE Link service and the substitution of Broadband Phone Service. HKBN was of the view that those supplementary information in the Web Registration Form was not material information for potential customers in making a purchasing decision. Furthermore, HKBN submitted that customer's consent would be sought during order verification after on-line or hotline registration. A customer was free to cancel the application during the verification stage if he/she did not accept the supplementary terms and conditions of the Switching Offer.

Allegation 6: HKBN's adverting campaign did not compare "like for like"

21. HKBN argued that the Press Releases were not marketing materials and they were not issued for comparison of offers with the competitor. HKBN reiterated that the only objective of the Press Releases was to give an update to the press and friends of HKBN on the latest development of the company. The citation of PCCW RTL service in the Press Releases was to draw the reader's attention to the development of the industry only.

Allegation 7: HKBN's adverting campaign was inconsistent as to the treatment of the four VAS

- HKBN submitted that the MOPU Ad2 only targeted frequent Internet or sophisticated users, who would not be easily misled by the MOPU Ad2 into not questioning the terms of the Switching Offer. HKBN also claimed that no customer was actually misled by the MOPU Ad2. Nevertheless, HKBN admitted that information in MOPU Ad2 stating that the tariff of HK\$9.9 per month including four VAS was incorrect. The correct tariff should be HK\$9.9 per month without provision of any VAS. HKBN explained that the mistake was due to human error as one of its staff had accidentally included four VAS in the file for MOPU Ad2 and uploaded the file to the production website.
- 23. To avoid recurrence of similar incident, HKBN had agreed to enhance the checking procedure for placing any MOPU advertisement. With immediate effect, the subject officer would be required to pass the completed

advertising file to his/her supervisor for preview before uploading it to the production website. In addition, HKBN would introduce a special "safe-net" arrangement to settle customers' complaints by providing them the best offer in cases where there are inconsistency of terms set out in different marketing materials of the same campaign or offer.

Allegation 8: HKBN's adverting campaign possibly involved "bait advertising"

24. HKBN denied the complainant's allegation that HKBN had adopted bait advertising in the Switching Offer by scheduling a relatively short Deadline. HKBN submitted that the Switching Offer comprised two lots of advertisements. Lot 1 was published between the period from 10 June 2011 to 28 June 2011¹¹ and the Deadline was set on 30 June 2011. Lot 2 was published between the period from 28 June 2011 to 29 July 2011¹² and the Deadline was set on 31 July 2011¹³. However, due to the overwhelming responses, the Deadline was further extended to 13 September 2011 for "new customers" and 30 September 2011 for "new customers referred by existing HKBN customers". HKBN explained that the customers who read the Lot 1 advertisement would have 3 to 21 calendar days to register for the Switching Offer; whereas customers who read the Lot 2 advertisement would have 3 to 34 calendar days (47 to 78 calendar days with the Deadline extended to 13 September 2011) for the registration and installation completion. HKBN submitted that, in normal circumstances, service installation could be arranged within 2 calendar days and a vast majority of customers who had registered for the Switching Offer could have service installation completed within 4 calendar days.

25. Regarding the two situations described in the fine print of the News Ad (see paragraph 2(a)(vi) above) under which a higher monthly fee of

In HKBN's representations of 5 August 2011, <u>Table 5</u> indicated that the date of publication for Lot 2 advertisement was from 4 July 2011 to 20 July 2011. However, in HKBN's email of 21 September 2011 showed that the date of publication for Lot 2 advertisement should be from 28 June 2011 to 29 July 2011.

In HKBN's representations of 5 August 2011, <u>Table 5</u> indicated that the last date of publication for Lot 1 advertisement was on 27 June 2011. However, HKBN's email of 21 September 2011 showed that the last date of publication for Lot 1 advertisement should be on 28 June 2011.

Most of the Lot 2 advertisements, such as the Print Ad in newspapers, magazines and non-HKNB's websites had the Deadline on 31 July 2011, except the eDM Ad for which the Deadline was on 31 August 2011.

HK\$45 or HK\$55 would apply, HKBN advised that as of January/February 2012, none of the registered customers fell into either of the two situations and no customer was required to pay a higher monthly fee. HKBN stated that the Switching Offer was strategically targeted at PCCW RTL customers for switching subscription to HKBN's service. It was therefore reasonable that a normal or higher monthly fee at HK\$45 and HK\$55 would be charged if for any reasons, the residential telephone number of the customers concerned could not be ported to HKBN. In normal circumstances, service installation could be arranged and completed within [%] and [%] calendar days respectively and the whole number porting process would take about [%] to [%] calendar days. Overall, HKBN submitted that the allegation of bait advertising could not be established as the Deadline was not unreasonably short and the avoidance of the two situations was reasonably achievable.

OFFICE OF THE COMMUNICATIONS AUTHORITY'S (OFCA)'S ASSESSMENT

26. Based on the information available and the representations submitted by HKBN, OFCA has summarised the dates and types of the promotional materials in relation to the Switching Offer as follows –

(a) News Ad

(published in 20 newspapers and magazines from 10 June to 20 July 2011);

(b) Posters and handheld materials

(displayed or distributed in 18 shops, 1 customer service centre and 1 shopping mall from 13 June to 3 August 2011);

(c) Billboard Ad

(English version displayed at Central from 5 to 29 July 2011 and Chinese version displayed at Yuen Long LRT Station from 8 to 29 July 2011);

(d) MOPU Ad1 and Ad2

(For MOPU Ad1, displayed at 8 commercial websites from 17 to 23 June 2011 and 4 to 23 July 2011. For MOPU Ad2, displayed at 46 commercial websites via WordSnap¹⁴ from 17 to 28 June 2011 and 6 to 13 July 2011);

(e) <u>eDM Ad</u>

(despatched to HKBN's existing broadband customers during the period from 12 to 20 July 2011);

(f) Advertisements at HKBN's website and Facebook (available from mid June to 30 August 2011); and

(g) Press Releases

(Chinese press release was sent to 20 media partners and English press release was sent to 6,000 selected recipients. The press releases were published at the website of "City Telecom (H.K.) Limited" ("CTHK")¹⁵ on 10 June 2011).

- 27. According to the information available, the Switching Offer was only applicable to the then PCCW RTL customers. To be entitled to the Switching Offer, customers must -
 - (a) subscribe to a 24-month contract for HKBN HomeTel service;
 - (b) pay a monthly fee of HK\$9.9 or HK\$19.9 (with four VAS);
 - (c) pay a non-refundable installation fee of HK\$200;

WordSnap is a contextually relevant in-text advertising format that combines the power of search advertising with the brand effectiveness of display banner ads.

At the time of launching the "Switching Offer" in June to September 2011, CTHK was the holding company of HKBN. At that time, there was a web link in HKBN's website that directed readers to browse CTHK's website. When readers entered CTHK's webpage, clicked the tag "Press" and then the heading "Press Releases", readers could view the Chinese press release titled "家居電話月費只需\$9.90 香港寬頻推出攜號轉台優惠計劃" and the English Press Release titled "AWESOME US\$1.30/month PCCW HomeTel Switch-Over Offer".

- (d) pay a pre-payment of HK\$230 which will be rebated during the contract period;
- (e) register and complete the installation on or before 30 June 2011 (but the Deadline was first extended to 31 July 2011 and further extended to 13 September 2011). Customers who are referrals from existing HKBN customers must register and complete the installation on or before 31 August 2011 (but extended to 30 September 2011);
- (f) submit a duly completed NSD form to HKBN within 30 days after installation of the HKBN HomeTel service; and after the submission of the completed NSD form to HKBN must successfully port his/her existing residential telephone number to HKBN within 180 days after installation of HKBN HomeTel service, otherwise the monthly service fee would automatically be increased to HK\$45 (without VAS) or HK\$55 (with four VAS); and
- (g) complete registration for the Switching Offer by completing the Web Registration Form in HKBN's website or via HKBN's hotline.

OFCA's assessment of the various allegations of the complainant is set out below:

Allegation 1: HKBN's adverting campaign was misleading as to price

OFCA considers that the key message "HK\$9.9/month" was given in the advertising campaign and it represented that the customer has to pay a monthly fee of HK\$9.9 as the service fee of HKBN HomeTel service. OFCA is of the view that the recurrent fee generally refers to the amount of fee payable on a monthly basis by subscribers to the service provider for the services to which they have subscribed under a service contract. On the other hand, the non-recurrent installation fee is a kind of one-off payment to the service

provider. In this sense, OFCA agrees with HKBN's representations that the general public was able to differentiate the recurrent fee from the non-recurrent fee. OFCA notes that some service providers would waive the installation fee due to commercial consideration and only a monthly fee would be charged. OFCA is of the view that in the case of HKBN, that there would be an installation fee, and the amount involved had been clearly stated in the fine print of the promotional materials (such as the News Ad, poster, handheld material, etc.). The general public should be well aware that the non-refundable installation fee of HK\$200 is a one-off non-recurrent fee and would not confuse this with the recurrent fee payable on a monthly basis. Accordingly, OFCA considers the installation fee and other terms and conditions set out in the fine print have not significantly altered the key message about the monthly fee of the Switching Offer.

29. With regard to the complainant's allegation that the Billboard Ad was misleading or deceptive because the target readers in vehicles could only see the Billboard Ad's headline "At Only HK\$9.90/month" but would not be aware of the upfront installation fee of HK\$200 and other terms and conditions of the Switching Offer, OFCA considers that Billboard Ads were meant to be seen from a distance by the target readers travelling on vehicles. It would be rather difficult if not impossible for the target readers to either get close enough or to have sufficient time to read any details about the service. The purpose, as well as effect, of the billboard advertisements were brand-building, rather than information-giving. Moreover, taken together with OFCA's assessment above, that the installation fee and other terms and conditions set out in the fine print have not significantly altered the key message about the monthly fee of the Switching Offer, **OFCA** considers that the complainant's allegation that the Billboard Ad was misleading or deceptive is not established. OFCA considers that the complainant's allegation that HKBN's adverting campaign was misleading as to price is not substantiated.

Allegations 2: HKBN's advertising campaign was misleading as to possible savings

30. In considering whether HKBN's advertising campaign was

misleading with respect to the Saving Claim in the Chinese Press Release, OFCA has taken into account the two following issues -

- (a) Whether the Saving Claim of up to HK\$2,400 for a 24-month service contract in the Chinese Press Release was factually correct or not; and
- (b) Whether the Chinese Press Release had the effect of a promoting, marketing and advertising the Switching Offer that falls within the scope of section 7M.
- 31. OFCA is aware that PCCW had not published any discount offers for its existing customer at the material time and the HK\$110 was the published price for its RTL service.
- 32. However, the situation for the installation fee is different. OFCA notes that if an existing customer of PCCW RTL Service had switched to HKBN HomeTel service, he had to pay a HK\$200 installation fee on top of the HK\$9.9 monthly fee. But if this existing PCCW customer had remained with PCCW and did not switch to HKBN HomeTel service, this PCCW customer naturally needed not pay the installation fee for continuing its service subscription with PCCW in the coming 24 months. In other words, only a switching customer had to pay an additional fee of HK\$200 in the coming 24 months. As such, the total amount of fee payable by a switching customer for a contract period of 24-month is HK\$437.6 (i.e.HK\$200 + HK\$9.9 x 24). Assuming the switching customer had indeed been paying PCCW HK\$110 per month (the maximum published price of PCCW RTL service without any VAS) and after the deduction of HK\$437.6 payable under the 24-months contract with HKBN, he could save HK\$2,202.4 (i.e.HK\$110 x 24 - HK\$437.6) which was less than the Saving Claim of up to HK\$2,400. In this connection, OFCA considers that the Saving Claim of HKBN is factually incorrect.
- 33. Regarding HKBN's argument that the HK\$200 discrepancy was not material information to a reasonable person in making a purchase decision in terms of the possible saving of over HK\$2,000, OFCA considers that the

Saving Claims is a kind of price comparison between HKBN HomeTel service and PCCW RTL service. It is clearly stated in paragraph 3.23 of the 7M Guidelines that "a statement about a competitor must be accurate and any comparison should be with 'like for like' products or services". In the current case, HKBN had made a claim on the potential savings by a RTL customer of PCCW for a 24-month contract period if he decided to switch his subscription from PCCW to HKBN. In calculating the savings, both the recurrent monthly service charge and the one-off installation charge are important parts of the total expenditure which would be incurred by a customer during the 24-month contract period. Omitting the installation charge in the calculation clearly falls short of the requirement for an accurate comparison in terms of the total price to be paid by a consumer for using the service. Price competition is one of the most important aspects of competition in the telecommunications market in Hong Kong. HKBN should have taken greater care to ensure the Saving Claims was accurately represented. Misleading or deceptive representations that involve price comparison is a material breach in nature of section 7M.

34. In considering whether the Chinese Press Release had the effect of promoting, marketing and advertising the Switching Offer that falls within the scope of section 7M, OFCA notes that the Chinese Press Release, which was issued to 20 media partners, announced the Switching Offer and the Saving Claim, and had attached the News Ad indicating that the installation fee of HK\$200 was required. In general, a press release is considered as a public statement given to the media to publish if they wish to do so. OFCA considers that the primary purpose of HKBN in issuing the Chinese Press Release to the media was to provide information about the Switching Offer for the media to write news reports about the Switching Offer, including the amount of possible saving the switching customers might enjoy from the offer. In this sense, as the information provided by the Chinese Press Release would likely have the purpose or effect of inducing the purchase decision of customers, OFCA considers that the Chinese Press Release is a promotional material via the media for the Switching Offer. In fact, OFCA notes that on 11 June 2011, five newspapers¹⁶ published information about the Switching Offer, with one of

¹⁶ The five newspapers were Ming Pao, Oriental Daily, The Sun, SingTao and Wen Wei Po.

making reference to the Saving Claim of HK\$2,400 as follows -

"該公司的新聞稿更指出,電盈的家居電話月費為110元,即客戶倘攜號轉台至香港寬頻,每月可節省最多100.1元,兩年合 共省下2400元。"

OFCA notes that the newspaper had made direct reference to the Chinese Press Release by stating the Saving Claim and the Switching Offer. Contrary to HKBN's view that no elements in the Press Releases would cause a reasonable man to believe the Press Releases were a piece of marketing material, OFCA considers that a reasonable man after reading the Saving Claim as reported in the newspaper would likely believe that an existing customer of PCCW RTL service would indeed make a saving of up to HK\$2,400 by switching subscription to HKBN HomeTel service. OFCA considers the Chinese Press Release issued to the media did not only just give an "update" about HKBN's telephone service as claimed by HKBN, but also had the effect of promoting the false Saving Claim, which was misleading or deceptive in the context of section 7M of the TO.

Allegation 4: HKBN's adverting campaign was misleading as to failure to disclose material information

- OFCA's main concern is whether the omission to mention in some of the advertising materials that (a) HKBN HomeTel service could not work where there is a power failure and as such the PE Link service is not supported; and (b) the replacement of HKBN HomeTel service by Broadband Phone Service where the former could not be provided were material purchasing information which would have affected customers in making a purchasing decision.
- 37. In the TA Report 2004¹⁷, the former TA considered that the Broadband Phone's reliance on a working power supply was not a material section 7M issue because he was satisfied that consumers' attention would be

- 25 -

See footnote 10.

drawn to this operational limitation by HKBN's marketing materials, registration form and installation pamphlet. In general, OFCA agrees that the reliability rate of power supply in Hong Kong is high and notes that HKBN has an outage contingency plan to ensure basic telephone service would be maintained during planned outage. The complainant considered that the non-support to PE Link service is an important omission because a significant percentage of PCCW RTL Service's customers were elderly and cost sensitive customers and a service without power backup was not comparable to the PCCW RTL service. However, OFCA notes that the advertisements concerned were promoting a residential telephone service and not a service that support a PE Link service. There was no supporting information that a significant percentage of PCCW RTL service customers did display such characteristics, or the Switching Offer was aimed at such customers. Hence, the failure of HKBN to mention the non-support of PE Link service in the advertisements does not appear to OFCA to be a "material omission" to the customers targeted at by the advertisements. In any case, OFCA notes that HKBN had made clear in its webpage and hotline that HKBN HomeTel service could not run properly in case of power failure and hence was not suitable for connection to the PE Link service, and this should give sufficient and appropriate alert to those specific customers seeking to use telephone lines for connection to PE Link service.

- 38. Regarding the replacement of HKBN HomeTel service by Broadband Phone Service, OFCA notes that the monthly fee and the substance of the HKBN HomeTel service and Broadband Phone Service were the same under the Switching Offer.
- 39. Having examined all the information above, **OFCA** considers that the two issues in the relevant promotional material are not material information that would affect customers' purchase decision and the omission of such information is not a breach of section 7M.

Allegation 6: HKBN's advertising campaign did not compare "like for like"

40. The complainant alleged that the comparison of the maximum

published price of PCCW RTL service of HK\$110 per month with the promotional price of HKBN HomeTel service of HK\$9.9 per month was not made "like for like" because PCCW's website featured 24 month term plan of PCCW RTL service offered with a variety of free gifts valued up to HK\$1,298 and discounted gifts with savings valued up to HK\$7,380. According to the printouts of PCCW RTL offers provided by the complainant, OFCA notes that the free gifts or discounted offers in the PCCW's webpage were only applicable to new or port-in customers but not the then existing PCCW customers who were in fact the targeted customers of HKBN's Switching Offer.

41. In considering whether the above comparison in relation to pricing is "like for like", OFCA refers to paragraph 3.26 of the 7M Guidelines which state that -

"Comparative advertising should typically only refer to special offers if the period and any applicable conditions are clearly expressed. Information in comparative advertising published by licensees should be current, the basis for comparative price claims should be provided and any time or geographic restrictions should be disclosed."

42. OFCA notes that the monthly fee of HK\$110 was the published price for PCCW's RTL service customers and PCCW did not publish at its website any discount offers and free VAS for its existing RTL service customers at the material time. Furthermore, the monthly fee of HK\$9.9 was the promotional price for HKBN HomeTel service. Based on the above consideration, OFCA is of the view that the complainant's allegation of misleading/deceptive representations by HKBN in this respect is not established.

Allegation 7: HKBN's advertising campaign was inconsistent as to the treatment of the four VAS

43. OFCA notes that among all the promotional materials, only MOPU Ad2 has stated that a fee of HK\$9.9 per month included four VAS but in fact the

price of HK\$9.9 was exclusive of the four VAS. OFCA is aware that MOPU Ad 2 was displayed on 46 commercial websites via WordSnap network¹⁸ for about three weeks during the two periods 17 - 28 June and 6 - 13 July 2011. OFCA disagrees with HKBN that the MOPU Ad2 only targeted frequent Internet or sophisticated users, who would not be easily misled by the advertisement. This is because the MOPU Ad 2 would automatically pop up when any Internet users moved the mouse cursor over the highlighted keywords (English translation: "Telephone") and "屋企" "Home") on the websites concerned. In any case, HKBN translation: admitted that the mistake was due to an editorial error made by a HKBN's staff in preparing MOPU Ad2 and uploading it to the production website without seeking approval from his supervisor. OFCA considers the mistake a substantive one as it had wrongly included four VAS in the monthly price of HK\$9.9. OFCA therefore considers that the statement in MOPU Ad2 concerning"破天荒優惠價,惟電訊盈科家居電話客戶轉台獨享,月費 \$9.9, 包 4 項增值服務, 請即登記!" (English translation is "Extraordinary exclusive switching offer to PCCW RTL customer, register now for HK\$9.9/month includes four VAS!") was misleading or deceptive in breach of section 7M of the TO.

44. OFCA notes that HKBN has enhanced its checking procedure for publication of MOPU advertisement by requiring the subject officer to pass the completed files to his/her supervisor for preview before uploading the files to the production website. In addition, OFCA notes that HKBN has set up the "safe-net" arrangement to remedy any similar problem that may occur in future. OFCA recognises that the enhanced checking procedure would strengthen the supervision of the subject officer, who is responsible for publication of MOPU advertisements and avoid similar editorial error in the future; while the "safe-net" arrangement would help settle customers' complaints of similar nature in future. Nevertheless, the enhanced checking procedure and the "safe-net" arrangement are both remedial measures taken after the breach was committed. These measures cannot rectify the breach but they will be taken into account as

¹⁸ For details of the WordSnap network, please refer to the website at http://wordsnap.pixelmedia-asia.com/wordsnap network.php.

mitigating factors when the CA considers the appropriate sanction for HKBN.

Allegation 8: HKBN's adverting campaign possibly involved "bait advertising"

- A5. Regarding the allegation that HKBN had adopted bait advertising, OFCA takes into account paragraph 3.30 of the 7M Guidelines which states that "a licensee may have engaged in misleading or deceptive conduct where..... the products or services are.....only available for a very limited period in circumstances where these limitations were not highlighted in the advertisement for those products or services". OFCA also notes the Deadline was extended from 30 June 2011 to 13 September 2011 and that for the eDM Ad referral program to 30 September 2011. As the advertisement for the Switching Offer was last published on 29 July 2011¹⁹, customers had more than one month's time to register for the Switching Offer. The registration period for the Switching Offer could not be considered as "a very limited period".
- HKBN advised that no customer was required to pay the higher monthly fee of HK\$45 or HK\$55 due to the two situations in the fine prints as mentioned in paragraph 2(a)(vi) above. OFCA notes that the monthly subscription fees for the two services are the same under the Switching Offer. Moreover, customers are free to cancel the application during the verification stage if he/she did not accept Broadband Phone Service as a replacement of HKBN HomeTel service. On the whole, **OFCA does not consider that HKBN had adopted any bait advertising tactic as alleged by the complainant in breach of section 7M of the TO.**

THE CA'S ASSESSMENT AND DECISION

47. After examining the facts of the case, the information/representations provided by the complainant and HKBN, the CA affirms OFCA's assessment that HKBN's representations on the Saving Claim

As advised by HKBN's reply email on 30/9/2012, advertisements for the Switching Offer at HKBN's Website and Facebook were last published on 30 August 2011.

promulgated in the Chinese Press Release and the representations in MOPU Ad2 that the monthly fee of HK\$9.9 included four VAS are misleading or deceptive in breach of section 7M of the TO. A financial penalty should be imposed.

- 48. This is the sixth occasion on which a financial penalty is imposed on HKBN under section 7M of the TO, and the maximum penalty stipulated by the TO is HK\$1,000,000. In considering the appropriate level of financial penalty in this case, the CA has had regard to the Guidelines on the Imposition of Financial Penalty issued under section 36C of the TO (the "Guidelines"). Under the Guidelines, the CA is to consider the gravity of the breach (such as the nature and seriousness of the infringement, damage caused to third parties by the infringement, and duration of the infringement), whether the licensee under concern has previous records of similar infringements, and whether there is any aggravating or mitigating factors.
- 49. In considering the gravity of the breach and therefore the starting point for the level of penalty, the CA refers to the MOPU Ad2 and the Chinese Press Release issued to 20 media partners as well as the news report about the Saving Claim.
- 50. Regarding the MOPU Ad2, HKBN advised that it was placed at 46 commercial websites via WordSnap network from 17 28 June and 6 13 July 2011. As the MOPU Ad2 (which incorrectly stated that the monthly price of HK\$9.9 included the four VAS) had been placed for some three weeks, a substantial number of PCCW RTL customers might have seen it and might have been misled by what it had represented. The CA notes that for all promotional materials under the Switching Offer, only MOPU Ad2 has mistakenly included the four VAS in the monthly price of HK\$9.9. While the CA can accept that the mistake was due to human error, this is also a reflection of failure of HKBN to implement effective means to ensure the accuracy of its promotional materials.
- As for the Chinese Press Release and the news report about Saving Claim, the CA finds that there was only one newspaper published on 11 June 2011 reporting the amount of Saving Claim of HK\$2,400. As the newspaper

was accessible to the general public, the CA considers that quite a substantial number of readers would have read about the Saving Claim.

- Nonetheless, the CA recognises that the potential customers who clicked on MOPU Ad2 would be directed to the Web Registration Form or Facebook Ad where all the terms and conditions of the Switching Offer would be provided. Further, when registration was made through the hotline, HKBN hotline staff would inform customers that the Switching Offer of HK\$9.9 will not include four VAS. Similarly, potential customers who read the news report about the Saving Claim would find out that there was an installation fee of HK\$200 when they read the advertisements of the Switching Offer or subscribe to the Switching Offer through the Web Registration Form or the hotline. In that sense, the negative impact of the mistake in MOPU Ad2 and the Saving Claim in the press release was limited.
- The CA notes that the former OFTA had only received this industry complaint concerning MOPU Ad2 and the Chinese Press Release. Also, there was no evidence that a considerable number of consumers were actually misled by the MOPU Ad2 and the Chinese Press Release.
- 54. The above notwithstanding, the CA also notes that there was a similar breach committed by HKBN in 2004 under section 7M of the TO, whereby the contravention was related to misrepresentations in pricing and cost savings in the printed/static advertisements. In the present case, the breaches were related to the false/misleading information as to the Saving Claim made in the Chinese Press Release and information in the MOPU Ad2 that the monthly fee of HK\$9.9 included four VAS.
- 55. In consideration of the above, the CA is of the view that the appropriate starting point for determining the level of financial penalty is **HK\$180,000**.
- On mitigation factor, the CA notes that HKBN has, upon receipt of the complaint promptly strengthened the checking procedure by assigning a supervisor to preview the contents of the advertising files before uploading

them to the production website. Moreover, the CA notes that HKBN has introduced the "safe-net" arrangement to help settle customers' complaints in future in cases where there are inconsistency of terms set out in different marketing materials of the same campaign or offer. While this is a positive additional measure taken by HKBN, for the avoidance of doubt, the "safe-net" arrangement is remedial in nature, and HKBN cannot, by adopting such a remedial measure, absolve itself of possible charges of contravening section 7M if similar problem arises in future. Each such complaint, if any, would be considered based on the facts and circumstances and on a case by case basis. Overall speaking however, the CA considers that HKBN has demonstrated its genuine sincerity in promptly rectifying its mistakes. Further, HKBN has been cooperative with the former OFTA and OFCA throughout the investigation.

57. Having carefully considered the circumstances of the case and taking all factors into account, the CA concludes that in this case of the sixth occasion on which a financial penalty is imposed under section 7M of the TO on HKBN, the penalty which is proportionate and reasonable in relation to the conduct concerned is **HK\$120,000**.

The Communications Authority January 2013





Exclusive Switching Offer to PCCW Residential Fixed Line Customers

At Only HK\$



Hotline: 3498 3498

"This other is only applicable to astisting PCCW residential filted line customers. Under this sentice plan offer, monthly service led for Home Ed Service in \$2.9, nonthly service led for Home Ed Service on or before 30 June 2011 (ii) sidential adjug completed Nutrition and subscriber mans at subscriber to a 22-month controlled. In order to be entitled to bit of left resident from 16 Service in an experiment of the PNCM Home Ed Service and (iii) subscribed to Nutrition from PNSO form) to HKRN within 30 days after installation of the HKRN Home Ed Service and (iii) subscribed to the extra presidential subspiration and the subscribed and 35 for the HKRN Home Ed Service and (iii) so the extra presidential subspiration of the extra presidential subspiration and the subscribed service with the automatical president subscribed to HKRN Home Ed Service and (iii) subscribed fails in submit a duty completed NSO form to HKRN Home Ed Service and (iii) subscribed fails in submit a duty completed NSO form to HKRN but subscribed as subscribed as produced to the subscribed as subscribed as a duty completed NSO form to HKRN but subscribed as subscribed as produced to the subscribed as subscribed as produced to the HKRN Home Ed Service and (iii) subscribed to subscribed in the subscribed as produced to the HKRN Home Ed Service (service feed NSO) and the subscribed in the subsc

1. An installation fee of \$200 will be charged from subscriber and will not be refunded to subscribe. The contract will be effective once the subscriber is installation (Feed Service) and successfully ported his her existing residents telephone number to HRMN. Subscriber is missing sendents telephone number to HRMN. Subscriber is missing sendents telephone number to HRMN. Subscriber is missing sendents telephone in the contract period, subscribe to the contract period of the sendents of th



家居電話

電訊盈科

家居電話用戶獨享 攜號轉台優惠

HK\$



登記熱線: 3498 3498

*家店電話增值服務組合包括:來閱釋示、來電待接、電話會議及拒接學示者。

Fine Print published at the bottom of newspaper advertisement for "Exclusive Switching Offer to PCCW Residential Fixed Line Customers" by HKBN

English version

- * This offer is only applicable to existing PCCW residential fixed line customers. Under this service plan offer, monthly service fee for HomeTel Service is \$9.9, monthly service fee for HomeTel Service with Value-Added Services[^] is \$19.9, and subscriber must subscribe to a 24-month contract. In order to be entitled to this offer. subscriber must (i) subscribe to and install designated HKBN HomeTel Service on or before 30 June 2011 (ii) submit a duly completed Notification of Service Disconnection form ("NSD form") to HKBN within 30 days after installation of the HKBN HomeTel Service and (iii) successfully port his/her existing residential telephone number to HKBN. Offer valid only while quota lasts. The monthly service fee will be automatically increased to \$45 (for HomeTel Service) and \$55 (for HomeTel Service with Value-Added Services) for a 24-month contract (while all other terms and conditions remain the same) in the following two situations: (i) subscriber fails to submit a duly completed NSD form to HKBN within 30 days after installation of HKBN HomeTel Service (service fees will start to incur from the day after installation of the HKBN HomeTel Service) or (ii) subscriber has submitted a duly completed NSD form to HKBN but subscriber's existing residential telephone number is unable to be ported to HKBN successfully within 180 days after installation of HKBN HomeTel Service (service fees will start to incur from the 181th day); the temporary telephone number provided by HKBN will continue to provide service to subscriber in these two situations.
- ^ HomeTel Value-Added Services includes Caller Display, Call Waiting, Conference Call and Block-the-blocker.
- 1. An installation fee of \$200 will be charged from subscriber and will not be refunded to subscriber. The contract will be effective once the subscriber has installed HKBN HomeTel Service and successfully ported his/her existing residential telephone number to HKBN. Subscriber must continuously subscribe to the service plan within the contract period. If subscriber terminates the subscribed service at the service installation address within the contract period, subscriber shall pay a sum of \$550 or the total amount of service monthly fees for the entire remaining contract period (whichever is the higher) to HKBN as liquidated damages. Such fee being a genuine pre-estimate of the loss that HKBN will suffer and is not a penalty. must prepay service fees of \$230 upon successful installation of HKBN HomeTel Service. The prepayment amount will be rebated to subscriber after subscriber's existing residential telephone number has been successfully ported to HKBN. Subscriber for HomeTel Service will be rebated \$9.9 on a monthly basis from the 1st to the 23rd month, and will be rebated \$2.3 for the 24th month of the contract period. Subscriber for HomeTel Service with Value-Added Services will be rebated \$19.9 on a monthly basis from 1st to the 11th month, and will be rebated \$11.1 from the 12th month

of the contract period. 3. HKBN will provide subscriber with a temporary telephone number after successful installation of the HKBN HomeTel Service, which will be automatically disabled 10 days after subscriber's existing residential telephone number has been successfully ported to HKBN. 4. This offer is subject to other relevant terms and conditions.

Chinese version

*本計劃只適用於電訊盈科現有的家居電話服務客戶。家居電話服務(月費\$9.9),家居電話服務連增值服務組合^(月費\$19.9),須簽約 24 個月。客戶必須於指定日期內登記及安裝指定家居電話服務計劃,客戶並須安裝家居電話服務後 30 日內遞交資料完整的「客戶終止服務通知書」予「香港寬頻」及成功攜帶原有電話號碼至「香港寬頻」,方可享用上述優惠,額滿即止。唯以下情況,本計劃之服務月費將自動轉為\$45(適用於登記家居電話服務客戶)或\$55(適用於登記家居電話服務連增值服務組合客戶),合約期 24 個月,計劃之其他條款及細則將維持不變:(i)若客戶末能於安裝家居電話服務後 30 日內遞交資料完整的「客戶終止服務通知書」予「香港寬頻」辦理有關攜帶原有電話號碼之申請(有關服務月費將由成功安裝本服務的翌日開始收取)(ii)若客戶已遞交資料完整的「客戶終止服務通知書」,但於安裝家居電話服務後的 180 天內仍未能成功攜帶原有家居電話號碼至「香港寬頻」(有關之服務合約將於客戶成功安裝本服務的第 181 日開始收取);在此情況下,「香港寬頻」將以提供之臨時電話號碼為客戶繼續提供服務。

^家居電話增值服務組合包括:來電顯示、來電待接、電話會議及拒接停示者。

1.本計劃將收取\$200 安裝費,將不會退還予客戶。服務合約將於客戶成功安裝服務及成功攜帶原有電話號碼至「香港寬頻」後即時生效,唯客戶須於合約期內連續使用該服務。如客戶於合約期內終止服務,客戶須支付\$550 或合約期內的剩餘月費(以價高者為準)予「香港寬頻」作為算定損害賠償,該費用為一項合理的事前估計損失而並非一項罰金。2.客戶須於成功安裝家居電話服務後預繳服務月費\$230,有關之預繳費用將於客戶成功攜帶原有電話號碼至「香港寬頻」後開始回贈予客戶。(適用於登記家居電話服務客戶:合約期第1至23個月回贈\$9.9及第24個月回贈\$2.3;適用於登記家居電話服務連增值服務組合客戶:合約期第1至11個月回贈\$19.9及第12個月回贈\$11.1)。3.「香港寬頻」將於客戶成功安裝家居電話服務後為客戶提供一個臨時電話號碼,而臨時電話號碼將於原有電話號碼成功攜帶至「香港寬頻」10天後自動取消。4.本計劃受有關條款及細則約束。

The Web Registration Form (only available in Chinese)

Hon	g Kong Broadbane	語話服務登記表格 d Network HomeTel Service P	lan Registratio	on Form	
家居司	冒話基本服務優惠	(計劃:			SC:MK04
		增值服務	交类	合約期限內終止 服務之算定損害 賠償	合約期
0	\$9.9 (HHN924PN)	-	\$200	HK \$550 或合約期限剩餘月費 (以較高者為準)	連續使用 24個月
0	\$19.9 (HHC1924PN)	來電顯示、來電待接、 電話會議及拒接停示者	\$200	HK \$550 或合約期限剩餘月費	連續使 用 24個月

本計劃條款及細則:

- 1. 本計劃只適用於電訊盈料現有的家居電話服務客戶。家居電話服務(月費\$9.9)或家居電話服務連增值服務組合^(月費\$19.9),須簽約24個月。客戶必須於2011年6月30日或之前登記及安裝指定家居電話服務計劃,優惠只適用於電訊盈料現有的家居電話服務客戶。客戶並須於安裝家居電話服務後30日內遞交資料完整的「客戶終止服務通知書」予「香港寬賴」及成功攜帶原有電話號碼至「香港寬頻」,方可享用上述優惠,額滿即止。唯以下情況,本計劃之服務月費將自動轉為\$45(適用於登記家居電話服務後79)或\$55(適用於登記家居電話服務連增值服務組合客戶),合約期24個月,計劃之其他條款及細則將維持不變;(i)若客戶未能於安裝家居電話服務後30日內遞交資料完整的「客戶終止服務通知書」予「香港寬頻」辦理有關攜帶原有電話號碼之申請(有關服務月費將由成功安裝本服務的翌日開始收取)(ii)若客戶已遞交資料完整的「客戶終止服務通知書」,但於安裝家居電話服務後的180天內仍未能成功攜帶原有家居電話號碼至「香港寬頻」(有關之服務台約將於客戶成功安裝本服務的第181日開始收安裝家居電話服務後的180天內仍未能成功攜帶原有家居電話號碼至「香港寬頻」(有關之服務台約將於客戶成功安裝本服務的第181日開始收
- 取);在此情况下,「香港寬頻」將以提供之臨時電話號碼為客戶繼續提供服務。

 2. 本計劃將收取8200安裝費,將不會退還予客戶。服務合約將於客戶成功安裝服務及成功攜帶原有電話號碼至「香港寬頻」後即時生效,唯客戶必須於台約期內連續使用該服務。如客戶於台約期內終止服務,客戶須支付\$550或台約期內的剩餘月費(以價高者為準)予「香港寬頻」作為算定損害賠償,該費用為一項合理的事前估計損失而並非一項罰金。
- 音唱員,於其市場,有日本等,所以由於自義公司, 客戶須於成功安裝家民電話服務後預繳取務月費\$230,有關之預繳費用將於客戶成功攜帶原有電話號碼至「香港寬頻」後開始回贈予客戶。(適用 於登記家居電話服務客戶:台約期第1至23個月回贈\$9.9及第24個月回贈\$2.3:適用於登記家居電話服務連增值服務組合客戶:台約期第1至11個月 回贈\$19.9及第12個月回贈\$11.1)
- 「香港寬顏」將於客戶成功安裝家居電話服務後為客戶提供一個臨時電話號碼,而臨時電話號碼將於原有電話號碼成功攜帶至「香港寬顏」10天 後被自動取消
- 本計劃受有關條款及細則約束。

^家居電話增值服務組合包括:來電顯示、來電待接、電話會議及拒接停示者。

家居電話服務補充:

- 合約期後之家居電話基本月費為\$108,家居電話增值服務(CM001)合約期後之服務月費為\$20。
- 1. 古約兩後之家店電話並為月買為3100°家店電話用值與例CMMID 古的兩後之版務月買為320° 2. 客戶明白本服務在電力故障情況下下能正常運作,故不適用於接駁平安鐘或依靠平安鐘服務者使用。 3. 若各戶登記之服務安裝地址未能成功安裝「家居電話」,香港寬賴將以「寬頻電話」代替。(如適用者) 4. 客戶如終止家居電話服務,必須給予一個月之預先書面通知子香港寬頻。

請正確填寫以下各欄資料: (每欄必須填寫)

申請人個人資料:

英文名稱:	
身份證號碼:	
性別:	請選擇
出生日期:	請選擇 年 請選擇 月 請選擇 日
聯絡電郵地址:	@

如申請人未於上欄提供電郵地址而申請人為「香港寬頻」之現有客戶,本公司將依據申請人之「個人賬戶」內現時使用之月結單收取形式發放月結單及有關通訊,否則本公司將以郵遞形式寄上月結單及有關通訊,每次郵寄月結單為825。(「香港寬頻」有權更改此月費收費金額)於一般情況下,月結單會每3個月發放一次,申請人領預繳3個月月費。

本人同意香港寬頻將本人之個人姓名、地址	

若本人沒有在以上方格內加人「剔號」,即表示本人不同意以上列人安排。香港寬頻將不會將本人之有關資料列人電話查詢服務內。

安裝服務地址:

					_
室號:					
層數:					
座數:					
大廈/樓:					
屋村:					
街號:					
街道:「					
Notice Control of					
地區:					
住宅電話號碼:					
日間聯絡電話/手提電話:		(此欄必須填寫)			
家居電話服務:					
◎ 沿用原有電話號碼:		(主線號碼)		(副線號碼)	
(註:1. 副線號碼必須配合雙音辨號	功能・月費 S 20)				
原有電話號碼登記人:					
原有電話號碼登記人 香港身份證號碼:		(
(上列提供之原有電話號碼登記)	人的資料必須與其	電話費單上之資料相同	((m)		
原有電話服務公司:	請選擇				
下載「轉台表格」 (即「客戶終止服務通知書」) - 若客戶選擇讓帶原有電話號碼至 缸書」以辦理相關手續。 - 如申請、週潔將原有電話號碼攜 「香港電頻」以及後被自動取為。 - 申請攜帶電話號碼服務工客戶, 未能成功攜帶客戶之原有號碼至「	等至「香港宽頻」 以上提供之原有電話 日未能提供完整資料	「香港寬嶺」將為申請人 話號碼的資料必須與其電 日或提供錯誤資料或由於「	提供一個臨時電話號碼 話費單上之資料相同。 香港寬頻。無法控制的	一面臨時電話號碼將於原原因,以致「香港範續」	有電話號碼成功攜帶至
付款方法: 本人選擇以下方式為每月付款方	法:				
*現金/劃線支票/繳費圖	(如賬單逾期未付	T超過30天,請用以下提	供之信用卡戶口(如有	提供)缴付有關賬項)	
○ *自動轉展(如賬單逾期末	k付超過30天・請用	用以下提供之信用卡戶口	口(如有提供)缴付有關	服項)	
客戶如選用以現金/支票/徽費墨如客戶安裝的服務為免費服務,					
○ *信用卡付款 (本人現投權予香港寬頻終 話服務/電視服務/一切電					上網服務 / IDD服務/電
信用卡種	類: O VISA	O MasterCard O Din	ers		
信用卡號	碼:				
有效日	(期:	年 月(有效	期心須多於一個月)		
信用卡持有人始	名:				
		E			
重要條款及細則:					

F 485-546 one 630	who put wide of the	2 264 Prompting	- 4 L dec	Late tale 12 Smith 1.
省/世典型	家店地話班	276 - (广悟	4年11 家门)條款及細則:

- 1. 客戶必須於2011年6月30日或之前中請並成功安裝香港寬頻網絡有限公司(「香港寬頻」)之家居電話服務。
- 2. 本計劃只適用於香港寬頻覆蓋範圍內之新登記住宅及成功安裝「香港寬頻」家居電話服務的客戶·額滿即止。
- 3. 客戶明白本登記表格內的所有服務計劃及評情領經香港寬賴批核方告生效。香港寬賴有最終決定權決定是否接受客戶就任何服務計劃 之中請,客戶不得異議。
- 4. 倘若容戶申請任何該服務計劃,客戶同意於該服務計劃所指定的合約期(「合約期」)內以該服務計劃所訂明的月費(「該服務月費」)連回

聲明:

- 1. 本人確認以上提供的個人資料正確無訛,並在本人之個人資料有所變更時,通知「香港寬頗」作出更新。 本人明白以上個人資料之收集及使用,是根據香港特別行政區法例第486章《個人資料(私隱)條例》及「香港寬頻」的私隱政策聲明執行。
- 2. 本人明白以上提供的個人資料是必須的、在於協助「香港寬頻」提供上述服務。本人同意該等個人資料可供「香港寬頻」,或其聯繫公司、其代理人、或其他第三方服務供應商、作服務或產品推廣之用,或在合乎法律的情况下使用。本人明白若不欲以上提供的個人資料被用於直接市場推廣的用途,或不欲收到任何直銷推廣資訊,本人可透過書面方式郵寄至「九龍中央郵政局郵政信箱73910號」通知「香港寬頻」。
- 3. 本人明白上述「香港寬賴」服務之提供及使用·均受制於本表格內之條款及細則及「香港寬頼」之一般條款及細則。本人確認並同意 完全遵守該等條款及細則(包括下時生效之條款及細則)。

□本人同意上述所有條款及細則。

確定

取消

一般條款及細則 | 免責聲明 | 私隱政策

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Annex D(1)

The MOPU Ad 1 on news.hk.yahoo.com



Annex D(2)

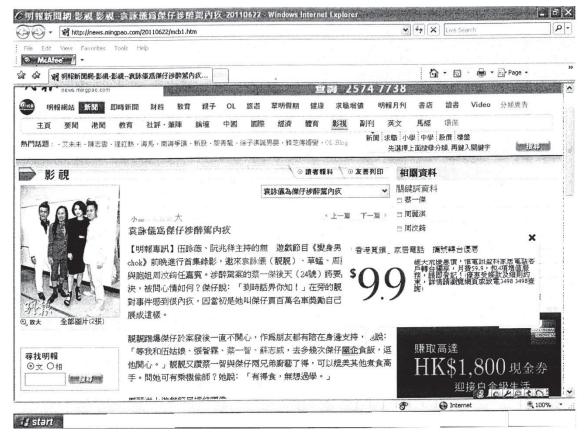
The MOPU Ad 2 on www.style-tips.com



The MOPU Ad 2 on www.am730.com.hk



The MOPU Ad 2 on news.mingpao.com



The MOPU Ad 2 on www.discuss.com

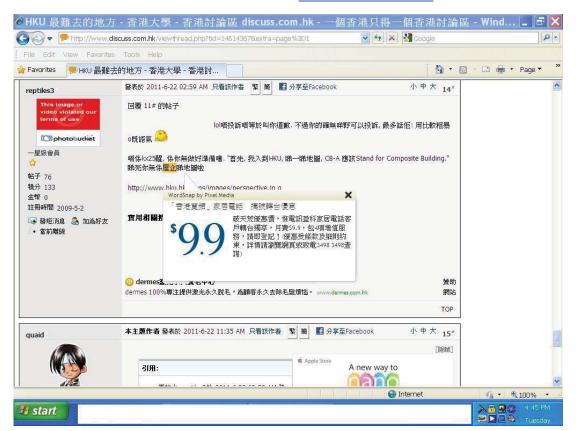




Photo 1: Poster at a HKBN's shop

Photo 2: A close view on the Poster







Chinese Press Release





即時發放

家居電話月費只需\$9.90 香港寬頻推出攜號轉台優惠計劃

(香港,2011年6月10日)科技不斷進步,打長途電話到全世界都可能免費,為甚麼我們每月仍要花 HK\$110 於本地電話服務之上?香港寬頻網絡有限公司 (「香港寬頻」,城市電訊(香港)有限公司旗下的全資附屬公司,香港交易所上市編號:1137;美國納斯達克市場交易代號:CTEL)推出全新家居電話轉台優惠。現有電訊盈科家居電話服務的客戶攜號轉台,將可以超抵月費港幣\$9.90享用合約期為24個月的家居電話服務,每月節省港幣100.1元¹,24個月合約節省高達港幣2,400元!

電訊管理局於早前公佈,香港為全球七個城市中,電訊費用最低的城市²。香港 寬頻一直以來為廣大市民提供廉價而優質的電訊服務,並以回饋市民為目標。其 實,部份市民每月仍需繳付六七十至一百多元的電話服務月費,香港寬頻推出全 新家居電話轉台優惠,希望令更多的市民以更優惠的收費享用優質服務,絕對能 為面對嚴重通貨膨漲的市民作出舒緩。

香港寬頻市務部助理總監林嘉玲表示:「是次優惠再一次顯示了我們公司的核心 目標——體驗引進及應用電訊科技造福於民的喜悅。我們以引領業界進步而感到 自豪。」

- 完 -

http://www.pccw.com/Consumer/Residential+Line/Local+Telephone+Services/Welcome+Special+Offer?language=zh_HK

http://www.ofta.gov.hk/zh/press_rel/2011/May_2011_rl.html

報告內容亦可於以下網址下載:

¹ 資料來源:於 2011 年 6 月 10 日,有關公司的網頁資料顯示家居電話月費為港幣 110 元,供參考之用,詳情可瀏覽以下網址:

² 該項國際研究由電訊管理局委託顧問所就有關收費基準作出比較,詳情可參考電訊管理局發佈之新閱稿:

有關城市電訊/香港寬頻

城市電訊(香港)有限公司(香港聯合交易所上市編號:1137;美國納斯達克市場交易代號:CTEL)於 1992 年創辦,透過其自建的光纖網絡提供綜合電訊服務。城市電訊的全資附屬公司,香港寬頻網絡有限公司現為香港增長速度最快的寬頻服務供應商,為超過1,110,000 寬頻、話音及 IP-TV 客戶提供一系列多元化的創新服務。憑藉最高質素的服務及管理,集團成功地穩佔市場一重要席位並持續增長,更以成功培育約3,000 名人才成為集團最強的競爭優勢為榮。有關城市電訊的詳細資料,請瀏覽 www.ctigroup.com.hk。

傳媒查詢,敬電:

企業傳訊部

投資者關顧

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家居電話

電訊盈科

家居電話用戶獨享 攜號轉台優惠

月費只需 HK\$



登記熱線: 3498 3498

系。他也是这些国际的证的"小爷吧的",从中的"一个"。 "本社画类似我这2000全段,另外是国际子宫户,是自己两张区产证此处则被烈众如为原来有些处理。"务制发展,也把办在"未实"的人类的问题是一种工程,这个时间的人类的是一种工程,是一种工程,是一种工程,是一种工程,是一种工程,是一种工程,是一种工程,但是一种工程,是一

English Press Release





For Immediate Release

AWESOME US\$1.30/month PCCW HomeTel Switch-Over Offer

(Hong Kong, 10 June 2011) With the rapid pace of technology advancement, it is now possible to make international calls around the World for free, so why is it that some customers are still paying up to US\$14/month (HK\$110)¹ for local calls in Hong Kong? Available immediately, Hong Kong Broadband Network Limited ("HKBN", a wholly-owned subsidiary of City Telecom (HK) Limited, HKEX: 1137, NASDAQ: CTEL) is pleased to offer an AWESOME US\$1.30/month (HK\$9.90) HomeTel service for PCCW customers that port-in their existing numbers to our network.

At HKBN, we believe in changing the rules of the game by leveraging technology to bring dramatic cost savings for our customers and make money for our shareholders. For almost two decades from now, we have repeatedly delivered breakthrough benefits to our customers, yet have also increased our Return on Equity from 3.2% in FY2007 to 19% in 1H FY2011 for our shareholders.

Ms June Lam, Associate Director of Marketing, HKBN said "Today is another example of executing our vision statement set in 2006 that states "To experience the joy of advancing and applying telecommunications technology for the benefit of the public". We are proud to be leading the industry for the betterment of Hong Kong".

- End -

About City Telecom/Hong Kong Broadband Network Limited

Established in 1992, City Telecom (H.K.) Limited (HKEX: 1137, NASDAQ: CTEL) provides integrated telecommunications services in Hong Kong via its own self-built fibre network. City Telecom's wholly-owned subsidiary, Hong Kong Broadband Network Limited (HKBN), is the fastest growing broadband service provider in Hong Kong. HKBN offers a diversified portfolio of innovative products that service over 1,110,000 subscriptions for broadband, local telephony and IP-TV. The Company has built a solid market position with top-of-the-line applications and practices enabling it substantial growth. The company takes great pride in developing its around 3,000 Talent force into a competitive advantage. Additional information on City Telecom can be found at www.ctigroup.com.hk

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Email: investor engagement@ctihk.com

http://www.pccw.com/Consumer/Residential+Line/Local+Telephone+Services/Welcome+Special+Offer?language=en_US

¹ Note *: As of 10 June, 2011



家居電話

電訊盈科

家居電話用戶獨享 攜號轉台優惠

HK\$ O



登記熱線: 3498 3498

"本計劃只提用於衛訊盈利调有的家庭電話經驗器戶,家庭電話經務(月費459)。家庭電話經報/達得機能含化月費51分)。強張約24個月。客戶必須於2011年6月30日成之時對比及安裝指定或是電話經報計劃。客戶登損計支收家 思電話經過转201分/形交支持完整方。客戶可止指揮被功事。多一會推開導,及如力機帶集有電話經過至「會議開導」,方可享用上程便等。每期指止,每以下內決。本計劃之經月月費有品驗料為44(過用計算22階度可比接種 家戶海区55/個所於於記案電話經過期直接通過兩份的一分。合於四年四日次,計劃之其確如此接触時期不完。公司客戶來放送實施服器解表之中用的成子時代整約「等戶能上至新經過車」,都看有機可得有 有電話經濟之申請(有經歷月月費由成以及发生業務的發日期始收取)。分析四日經交換的完整分。各戶社經發表經濟」,但於支資家區電話經路的190天內仍未能成功進卷時有家庭電話學媒應」「發達用時,19時至兩個時代

*家居電話電信服務組合包括:來電際示·來電待接、電話會議及拒接學示者

Annex H

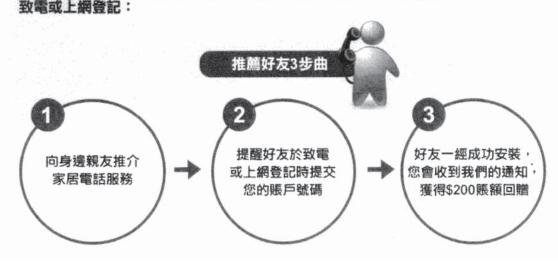




An eDM advertisement (Chinese)



貴為香港寬頻現有客戶,由即日至8月31日,你每成功推薦1名新客戶登記及安裝香港寬頻指定家居電話服務計劃,即可獲得\$200賬額回贈,不設推薦名額上限!被推薦之新客戶,可以低至月費\$9.9享用優質家居電話服務24個月!請即叫好友致電或上網登記:



新客戶登記方法:



117 3498 3498



apply.hkbn.net/htmgm

家屬電話服務推廣計劃條款及細則:

1. 合資格推薦人必須為香港寬賴特選之現有客戶(推薦人)。2. 推薦人所推薦之新家居電話客戶(新客戶)、必須於2011年8月31日或之前登記及成功安裝指定家居電話 服務計劃,推薦人方可享有\$200展額回饋,有關回饋金額將於2011年10月31日前直接存入推薦人之香港寬與服戶內(有關限額回饋不可兌接現金)。推薦人短成功 推薦1位新客戶可享\$200賬額回贈、成功推薦共2位新客戶可享合共\$400賬額回贈、成功推薦共3位新客戶可享合共\$600廳額回贈・如此親推・整項推廣活動推薦 名額為5,000名、額滿即止。3. 推薦人之服戶內必須沒有途期未繳交之款項,方可享有縣額回贈優惠。4. 新客戶必須透過電話或親上聲記指定宴居電話服務計劃、 並須於有關服務成功安裝前提供推薦人的客戶賬戶號碼,其推薦人方可於有關服務成功安裝後享有\$200月費回贈優惠,後補恕不接受。5. 本計劃受有關條款及細 則約束。香港寬頻保留權利豬時終止本計劃或更改有關之條款及總則而無須另行通知。如有任何爭議,香港寬賴將擁有最終決定權。

新客戶家居章話服務條款及維則:

 家屬電話服務只適用於香港寬賴指定覆蓋範圍內的住宅客戶。家居電話服務(月費\$9.9)或家居電話服務遺增值服務組合△(月費\$19.9),須簽約2.4個月。客戶必須 於2011年8月31日或之前登記及安裝指定家居電話服務計劃,優惠只適用於電訊盈料現有的家居電話服務客戶,客戶並須於安裝家居電話服務後30日內遞交資料完 整的「客戶終止服務通知書」予香港寬頻及成功攜帶原有電訊號碼至香港寬賴·方可享用上述優惠·額滿即止。唯以下情況·本計劃之服務月費將自動轉為\$45(适 用於登記家居電話服務客戶]或\$55(通用於登記家居電話服務通增值服務組合客戶)、合約期24個月。服務之其他條數及絕則將維持不變。()若客戶未能於安裝家居 電話服務後30日內遮交資料完整的「客戶終止服務通知書」予香港寬興辦理有顯撒帶原有電話號碼之申請 (有關服務月費將由成功安裝本服務的翌日開始收取) 间若 客戶已藏交資料完整的「客戶終止服務通知書」,但於安裝家居電話服務後的180天內仍未能成功攜帶原有家居電話號碼至香港寬頻(有關之服務合約將於客戶成功 安裝本服務的第181日開始收取);在此情況下,香港質藥將以提供之臨時電話發碼為客戶繼續提供服務。2. 客戶登記此計劃須繳交服務計劃安裝費\$200 (基本安裝 賽為\$680),有職費用將不會退還予客戶。服務合約將於客戶成功安裝服務及成功攜帶原育電話號碼至香港寬鎖後即時生效,唯客戶必須於合約期內連續使用該服 務。如客戶於合約期內終止服務,客戶須支付\$550或合約期內的繫餘月費(以價高者為準)予香港寬頻作為算定損害賠償,該費用為一項合理的華前估計損失而並非 一項罰金。如客戶於合約期內終止服務,香港寬賴將保留收取服務計劃安裝費與基本安裝費之差額的權利。3. 客戶須於成功安裝家居電話服務後預敝服務月費 \$230,有關之預藏費用將於客戶成功攜帶原有電話號碼至香港寬頻後開始回贈予客戶。(適用於登記家居電話服務客戶:合約期第1至23個月回贈\$9.9及第24個月 回贈\$2.3:適用於登記家居電話服務連增值服務組合客戶:合約期第1至11個月回贈\$19.9及第12個月回贈\$11.1):4. 香港質頻將於客戶成功安裝家居電話服務後為 客戶提供一個驅時電話發碼、而臨時電話發碼將於原有電話發碼成功攜帶至香港寬賴10天後被自動取消。5. 客戶之服務安裝地址必須於登記服務前120日均未曾使 用香港寬興之家屬電話服務。6. 若客戶之服務安裝地址未能成功安裝家屬電話服務。香港寬頻將以「寅續電話」代替:7. 本計劃受有關條款及絕別約束:香港貿鎮 保留權利隨時終止本計劃或更改有關之條數及織則而無須另行通知。如有任何爭議,香港寬賴將擁有最終決定權。

^家居電話增值服務組合包括:來電顯示、來電待接、電話會議及拒接停示者:





香港寬頻網絡有限公司客戶服務中心 旺角登打土街56號栢裕商業中心10樓1016-1018室

電子郵件地址: support@hkbn.net

Customer Service Centre of Hong Kong Broadband Network Ltd. Room 1016-1018, 10/F Park-In Commercial Centre, 56 Dundas Street, Mongkok Email Address: support@hkbn.net

如閣下不欲收取任何有關香港寬頻服務及產品優惠之電郵,請瀏覽 https://reg.hkbn.net/unsubscribe_

If you do not wish to receive any promotional emails about the services and products of Hong Kong Broadband Network Ltd., please visit https://reg.hkbn.net/unsubscribe.

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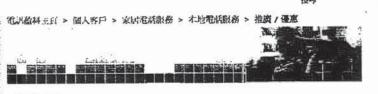
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English | 中女



本地電話服務

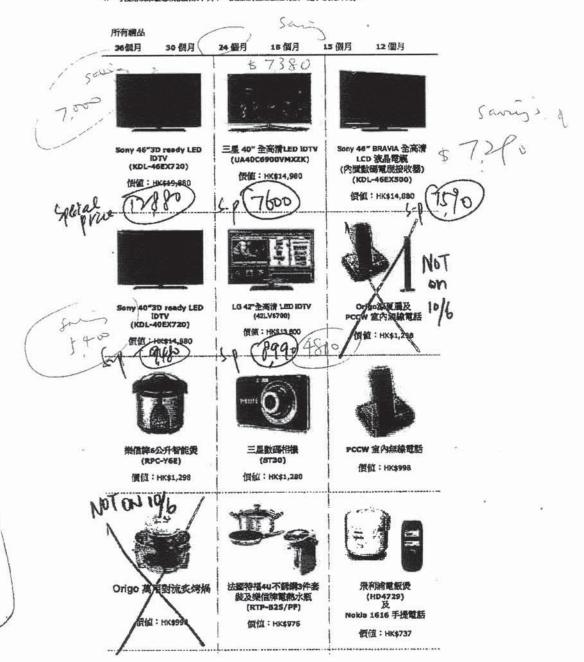
推廣/後期 eye多媒開取務 & eye2 家居無線多媒開 增值服務



推路/ 磁型

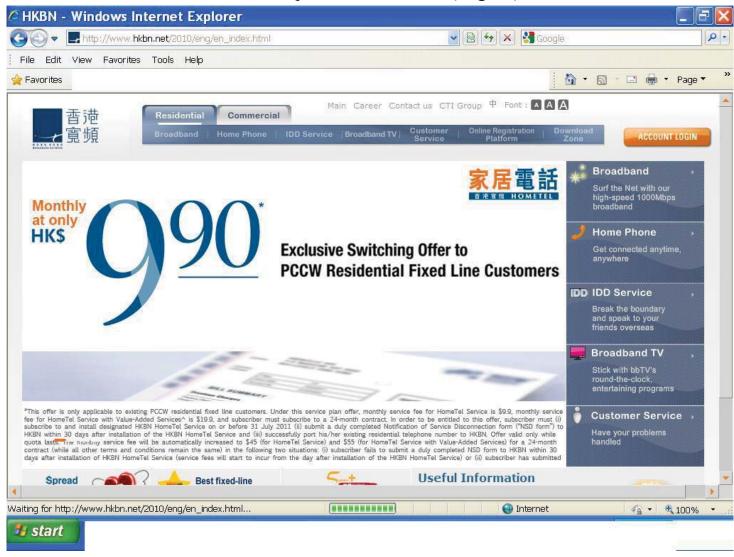
客戶需於2011年8月31日前申請新安裝以以及有電話機能轉用電訊臺灣家園電話機服務・並於2011 年9月30日前完成安装・以及参加以下家居電話線固定期服務計劃總徵總品(「家语電話線固定期限 辦計劃」)・即可:

- 2. 月費HK\$110或有關電話錄凝別的標準收費(如適用):
- 於家居電話練合約計劃期內,該家居電話線可發無限次然是電話線搬遊費,(此都発只適用於衛運至新地址之用。同一懷字搬遷號外);
- 可獲階或以優惠價換翺以下其中一款適品(截品數量有限,並/換完即此):



Annex K

Screen Capture of the Web Ad (English)



fine print shifts upward to show the installation fee of \$200



Screen Capture of the Web Ad (Chinese)



fine print shifts upward to show the installation fee of \$200



Screen Capture of the Facebook Ad (Chinese)



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Annex M



