

Government sets up inter-departmental dedicated investigation team to investigate business suspension of chain fitness and beauty group

The Government of Hong Kong Special Administrative Region is highly concerned about the temporary business suspension announced by a chain fitness and beauty group on September 6. An inter-departmental dedicated investigation team has been set up with a view to handling the cases as soon as possible.

Hong Kong Customs and the Police will conduct intensive investigation into offences under the Trade Descriptions Ordinance (TDO) with respect to the unfair trade practices and whether other criminal offences are involved respectively. Should there be any violation found, the authorities will take appropriate enforcement action.

As of 4pm today (September 10), Customs and the Police had received 733 and 19 complaints respectively regarding the chain group concerned.

Customs appeals to consumers who have purchased fitness or beauty services from the chain group to contact Customs as soon as possible. Members of the public may report any suspected violations of the TDO to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).

Customs reminds traders to comply with the requirements of the TDO. Consumers are also reminded to procure services at reputable shops and consider prudently before making decisions for consumption with prepayment. After purchasing services, they should keep the relevant records, such as transaction receipts and contracts, which can become basic information in case a complaint is lodged in the future.

Under the TDO, any trader commits an offence if at the time of acceptance of payment, the trader intends not to supply the product or intends to supply a materially different product, or there are no reasonable grounds for believing that the trader will be able to supply the product within a specified or reasonable period. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

In response to the above incident, the Commercial Crime Bureau of the Police has set up a task force to investigate into the fraud and false statement offences. The police urge members of the public to report any relevant information to the Police's 24-hour hotline 2860 5012.