

Hong Kong Customs combats unfair trade practices at pre-sale game card company

Hong Kong Customs yesterday (January 27) arrested a sole director and a person-in-charge of a trading company suspected of engaging in wrongly accepting payments when selling game cards, in contravention of the Trade Descriptions Ordinance (TDO).

Customs earlier received a number of reports alleging that a trading company, when selling game cards, had failed to supply the ordered goods within the specified date or a reasonable period after accepting payments from customers. Also, no refund was offered. The total amount involved in the case is approximately \$450,000, with the largest individual case amounting to around \$65,000.

After an investigation, Customs officers arrested a female sole director, aged 30, and a 31-year-old man-in-charge of the company.

The investigation is ongoing. The two arrestees are released on bail pending further investigation.

Customs has long been concerned about illegal activities involving pre-sold products and strived to combat unfair trade practices to protect consumer interests.

Under the TDO, it is an offence for a trader to accept payments for a product if at the time of accepting the payments, he does not intend to supply it or intends to supply another materially different product, or if there are no reasonable grounds for believing that he will be able to supply the product within a specified or reasonable time. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment of five years.

Customs reminded traders to comply with the requirements of the TDO. Traders should not accept advance payments from consumers if they are uncertain whether the pertinent goods or services can be delivered to consumers within a specified or reasonable time. Before buying a popular product, consumers should pay attention to its supply quantity and supply period, including the announcement made by the brand owners for reference. Also, they should make orders through reputable traders. After purchasing the products, consumers should keep the transaction documents, such as records of communication, receipts of payment, etc., as the basis of a potential complaint in the future.

Members of the public may report any suspected violations of the TDO to Customs' 24-hour hotline 182 8080 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).