

# Hong Kong Customs combats unfair trade practices by rehabilitation institution

Hong Kong Customs today (July 9) arrested a male director of a rehabilitation institution. A staff member of the institution is suspected of having applied a false trade description to the service supplied, and of engaging in unfair trade practices involving a misleading omission, in contravention of the Trade Descriptions Ordinance (TDO).

Customs earlier received information alleging that a staff member of a rehabilitation institution falsely claimed to a customer that the prepaid book fees for a two-year training course could be refunded. However, the institution did not refund the fees to the customer in the end.

In addition, the staff member claimed that the accommodation deposit paid by the customer would be refunded after his children completed the course. However, it was only after the institution ceased to provide the training course that the staff member informed the customer of a material information i.e. the deposit would not be refunded even the course was discontinued.

Customs officers today arrested a 66-year-old male director of the rehabilitation institution. He has been released on bail pending further investigation.

An investigation is ongoing, and the possibility of other persons involved in the case being arrested is not ruled out.

Customs reminded traders to comply with the requirements of the TDO and consumers to purchase services from reputable shops.

Under the TDO, any trader who applies a false trade description to a service supplied or offered to be supplied to a consumer commits an offence. Any trader who engages in a commercial practice that omits or hides material information or provides material information in a manner that is unclear, unintelligible, ambiguous or untimely, and as a result causes, or is likely to cause, an average consumer to make a transactional decision, commits an offence. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

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](mailto:crimereport@customs.gov.hk)) or online form ([eform.cefs.gov.hk/form/ced002/](http://eform.cefs.gov.hk/form/ced002/)).