

A Report to Advocate Mandatory Cooling-off Period in Hong Kong

19 April 2018



Miss被剝光屈簽11萬美容單

California Fitness

教練冒簽碌卡 女客破產

哄買課程 騙四人百四萬 勢判入獄

被告願償還14萬元佣金

【本報訊】一名三十三歲被告李新鴻（譯名Nick），現已無業。被告承認於二一零三年三月至一零三年五月間，向J.V. Fitness Limited（即California Fitness）騙取客戶共一百四十萬九千九百九十九元，法官表明判監禁至十一月廿三日等候判刑。

被告李新鴻承認，他利用其California Fitness教練身份，向客戶灌輸其可以退還健身課程，更利用信用卡資料騙取客戶共一百四十萬九千九百九十九元，法官表明判監禁至十一月廿三日等候判刑。

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健身中心

屈客EPS簽長約

逼2.7萬買七年會籍 踢爆後拒退款

健身中心不良銷售，客戶被騙簽七年合約！有市民到健身中心參加試玩計劃，但對其指明中心規定使用易辦事（EPS）付款須購滿一年，中心嚴重誤導。

美容陷阱

扮熟套料 趁脫光硬銷 被騙多高學歷

逼簽40萬療程 社工月供半份糧

扮熟套料 趁脫光硬銷 被騙多高學歷

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Great Time Universal (HK)

不良營銷手法

整編提供免費禮品誘上門 硬銷 高昂會費和年費 高壓銷售策略，例如播放強勁音樂，以疲勞轟炸式游說，若拒絕會再施壓。取消合約費用不合理。訂出出納合約。

【本報訊】不良商戶用免費禮品誘上門，以疲勞轟炸式游說簽約，有騙手法非新鮮事。消委會昨點名譴責一間旅遊會籍的代理公司Great Time Universal (HK) 以高壓手法促銷度假俱樂部會籍，涉款約270萬元；並批評該公司推銷手法卑劣，損害消費者利益。《蘋果》昨到該公司了解，惟沒人應門。

條款苛刻 須預早兩年訂酒店

Great Time Universal (HK) 位於尖沙嘴梳士巴利道3號星光行8樓，聲稱代表一公司投訴，比較去年同期11宗增加逾3倍。自2015年起，該公司累計設計新達75宗，涉款約270萬元，其中最高個案涉款逾18萬元。

消委會表示，該公司通常以電話問卷調查接獲投訴人，以領取免費禮品誘上門。上門後，職員用疲勞轟炸式輪流游說投訴人簽下韓國度假俱樂部的會籍合約，過程長達2至5小時，令投訴人筋疲力竭，無奈簽署合約後才獲准離開。據悉，職員會要求投訴人關閉手機，又藉調查記錄換取禮物，要求交出身份證及信用卡。職員又會按投訴人經濟苛刻，購買會籍的消費者雖有3天冷靜期，但取消合約將收取行政費，為會費總額的25%或30%；會員亦需要提早兩年預訂酒店，才獲保證有房間提供。除了會費，投訴人仍需付額外費用，如有投訴人付清6萬港元會籍後，還要額外付380美元的俱樂部費用，才可享用該度假村。

她續指，消委會今年2月與該公司負責人會面，要求對方改善營銷手法，但近月仍收到新投訴，該會認為對方採「拖字訣」，現已轉介10宗個案予海關跟進。海關回覆指，



Government's Consultation Report (2011)

公眾諮詢文件
打擊不良營商
立法保障消費

7.13 We consider that using the duration of contract is a more pragmatic yardstick. We propose that **mandatory cooling-off periods be imposed on contracts involving goods and/or services with a duration of not less than six months.** A six-month timeline is proposed because it allows less scope for circumvention when compared with, say, a 12-month timeline. Transactions of timeshare rights and long-term holiday products, being one of the two types of transactions subject to cooling-off arrangements under our original proposal, will be subsumed under this category. **As to the other type of transactions covered by our original proposal, viz. consumer transactions concluded during unsolicited visits to consumers' homes and places of work, we maintain that these transactions should be subject to cooling-off arrangements irrespective of their contract duration.**

Stakeholders' views:-

- Coverage too wide
- Encourage impulsive purchase behaviour
- Additional costs for businesses

Combating Unfair Trade Practices?

- Strong enforcement actions
- Effective complaint handling
- Strengthen consumer education
- Advocate suitable legislation to increase protection

涉違商品例 大航董事被捕

【本報訊】涉及港人旅行團造成2死41傷的廣州番禺車禍，大航假期董事陳燕萍昨日被警方拘捕，涉嫌違反《商品說明條例》。海關昨日接獲報案，指一團旅行社在其有關內地一團的宣傳單張上，標明該團受特定旅遊意外計劃保障，但事實並不獲有關保障，與事實不符。

至於車禍目前仍有一名女傷者在當地留醫，估計最快下周才能返港繼續接受治療；意外中2名死者家屬在駐粵辦入境人員協助下，已完成辦理死亡證及相關證明文件，而遺體亦已於昨午傍晚移送返港。

疑說稱受保 董事話寫少個字
海關昨日證實早前接獲報案，指一間旅行社在其有關內地一團的宣傳單張上，標明該團受特定旅遊意外計劃保障，但事實並不獲有關保障，與事實不符。

經調查後，海關昨日拘捕該旅行社一名42歲女董事陳燕萍，她涉嫌在旅行團廣告上應用虛假商品說明，違反《商品說明條例》。有關調查工作仍在進行中，被檢女子已獲保釋候查。

海關提醒商戶須遵守《商品說明條例》



例》的規定，消費者在購買服務時亦應光顧信譽良好的商戶。根據條例，任何商戶如將虛假商品說明應用於向消費者提供的服務，即屬違法，一經定罪，最高可被判罰款50萬元及監禁5年。

事發於本周一（25日），一個在深圳集合，參加廣州番禺一天遊的大航假期旅行團，回程乘坐一輛旅遊大巴返回深圳解散途中，沿廣州錦城高速駛經番禺南二環淺海涌特大橋時，與一輛貨車相撞，造成團友2死41傷慘劇。

事發後有人報警，大航假期向警方報案，旅行團受旅遊業協會的「旅行團

意外緊急援助基金計劃」保障，但根據該協會指引「在香港以外地方集合和解散的一天團」，並不受上述基金或旅遊業賠償基金保障。

其後，大航假期董事陳燕萍解釋是「文字失誤」少了一個「不」字，香港旅遊業協會則要求對方在14日內解釋，否則最嚴重可被革除會籍。

兩團友遺體昨晚運回港

車禍發生後至今6日，目前仍有一名內臟受傷，一度情況危殆的女團友何愛平（53歲），在番禺中心醫院深切治療

部留醫。港府駐粵辦事處已派員前往，估計下周可轉港治療。

另在車禍中不幸離世的李煜成（60歲）及潘燕儀，在駐粵辦入境組人員已完成辦理死亡證及相關遺體亦已於昨午傍晚移送不入境處及駐粵辦轉交死者家屬及旅行社提供可行協助。

■香港文匯報

遊學團搞手涉騙財被捕

【本報訊】《蘋果》於今年1月揭發一宗懷疑藉舉辦親子遊學團斂財事件，海關昨日拘捕一間教育中心的女東主（圖），她涉嫌將虛假商品說明應用於所提供的服務，違反《商品說明條例》，一經定罪，最高可判罰款50萬元及監禁5年。

據知，被捕的31歲女子現正保釋候查。海關早前接獲舉報，指一所教育中心聲稱與旅行社合辦韓國遊學團，但在收取款項後未能向顧客提供相關的旅行團服務。經調查後，發現有關旅行社沒有與該教育中心合辦旅行團。



涉稱免費試玩誘客上樓



Fitness 7
先後利誘
加不當影
6,500元重
包括3名
海關不良
線人員，3
中心試玩
件涉及3名
有關銷售
消息稱
其中一宗
在街頭被
是證明免
年健身會
關連。
磅重量
另一案
生，家住
行經灣道
玩，指周
吓。」

逼半裸客買療程 兩被告判社服

【本報訊】廿七歲空姐去年二月底在觀塘巧明街富利廣場一間纖體美容院內，半裸上身接受推淋巴療程，期間美容師及美容顧問二人向她硬銷近十萬元的眼部及胸部療程，涉嫌詞拉低空姐的內褲、按摩乳房，又擅自拿取空姐的信用卡「碌卡」過數，再逼她簽名。

具威嚇性 官斥卑劣

空姐事後向海關及消委會投訴，被捕美容師及美容顧問早前受審後被裁定兩項作出具威嚇性的營業行為罪成，昨被判罰二百小時社會服務令。裁判官強調，法庭不會姑息，亦絕不接受這種卑劣的營業行為。

首被告是美容師鄭如蓮（四十五歲），次被告是美容顧問李貴萍（廿六歲），早前定罪後遭收押候判，二人昨解上法庭時顯得神情憔悴，控罪指二人在去年二月廿六日於心悅纖體美容中心內向彭姓女事主作出威嚇營業行為。辯方求情指兩名被告在收押期間作出反省，並顯示悔意。

裁判官判刑時直指案情嚴重，兩名被告夥同犯案，即使事主不願購買昂貴療程，兩被告仍一唱一和，且不斷硬銷及危言聳聽，圖令事主就範，應予以阻嚇刑罰。但考慮兩被告的報告評價正面，曾遭收押已受足夠教訓，故判以社服令。海關發言人昨回應指，呼籲消費者應光顧信譽良好的商戶，若任何商戶營商時使用騷擾、威逼等手段令顧客「商品說明條例」，一經定罪，最高可罰款五十萬元及監禁五年。

案件編號：KTCC 355/2017



■首被告鄭如蓮（左）及次被告李貴萍（右）各被判罰二百小時社服令。

他不滿有詐上去磅重及量度脂肪比例，職員事後竟指有關測試要收費1,800元，否則需購買1.9萬元為期3年會籍，他最終被迫購買3年會籍。「我企上磅機，落返嚟話要另錢，除非入會先可以免費」，他事後告知家人，最終向葵青區議員梁子穎投訴轉交海關調查。

會協助18歲事主追討的立法會議員鄧家彪表示，雖然《商品說明條例》不良營商手法落實了兩年，但對預繳式服務未必有太大作用，建議海關嚴厲打擊之外，應該引入冷靜期保障消費者。



- **Focus**
 - Combating unfair trade practices
 - Providing an opportunity for consumers to inspect products
- **Content**
 - A review of the application of cooling-off period in Hong Kong and identification of common malpractices
 - An evaluation of the effectiveness of voluntary cooling-off schemes and analysis of the pros and cons of a mandatory cooling-off regime
 - A review of the Mainland and overseas legislations (UK/EU, USA, Australia, Canada, the Mainland and other Asia regions)
 - An exploration of the need to impose a mandatory cooling-off period
 - Recommendations on the scope of application and operational arrangements of a mandatory cooling-off regime



Cooling-off Period

- A cooling-off period is a useful tool to protect consumers by allowing them to cancel a purchase unilaterally and seek refund within a reasonable period of time after the conclusion of a contract.





Current Situation in Hong Kong

- Only certain investment products have mandatory cooling-off
- Some industries and individual traders offer voluntary cooling-off period but with varied effectiveness. Examples:-
 - The Hong Kong Federation of Insurers implemented a 21-day cooling-off period for life insurance products
 - The Industry Code of Practice for Telecommunications Service Contracts issued by the Communications Authority stipulates that a cooling-off period of no less than 7 days shall apply to telecommunications service contracts concluded during an unsolicited visit to a consumer's home
 - The Code of Conduct issued by the Direct Selling Association of Hong Kong Limited requires its member companies and direct sellers to offer a cooling-off period
 - Some retailers or individual traders



Major Complaints

- In the past 5 years, the number of sales practices related complaints in the beauty, fitness and timeshare industries contributed 63% (3701 cases) of the total cases in the following industries which often involve prepayment, the total amount involved reached \$130 million.

Year	Beauty services	Fitness clubs	Timeshare	Telecom services	Wedding services
2013	225	268	16	551	13
2014	407	342	12	516	20
2015	515	431	14	321	16
2016	444	328	23	275	29
2017	373	221	82	409	19
Total (Share)	1,964 (33%)	1,590 (42%)	147 (79%)	2,072 (9%)	97 (15%)
Total amount	\$65,473,609	\$57,497,748	\$7,262,273	\$2,489,625	\$1,672,248
Average amount	\$33,337	\$36,162	\$49,403	\$1,202	\$17,240



- Prepayment
- Large transaction amounts
- Long contract periods
- Timeshare contracts involve overseas properties and business partners and complicated terms

Unfair trade practices

- Prolonged and tiring sales pitches
- Keeping consumer's personal belongings
- Unauthorised transactions
- Adding purchases without consent
- Undisclosed terms
- Present attractive offers which were not realised
- Encourage consumers to borrow loans

Complainants suffer physical, mental and economic damages. It is a pressing problem.



What consumers want?

- Justice - prosecuting unscrupulous traders
 - High standard of proof in criminal proceedings
 - Time taken for investigation and prosecution
 - Reliance on the accuracy and precision of the consumer's evidence
 - Investigation may be affected by settlement between the parties
- To cancel the contract and mitigate their monetary loss

Mandatory cooling-off period can satisfy the call from consumers to cancel the contract when facing unfair trade practices



Limitations of Voluntary Cooling-off

- Relies on the initiative and self-discipline of the industries and traders
 - Unscrupulous traders will not participate but continue to cause harm to consumers
 - Requires the presence of a representative and a credible trade association to establish and manage a voluntary cooling-off scheme
- Traders have different terms and conditions, consumers could hardly compare. Consumers are unknowingly bound. For example:
 - Cooling-off period of only 24 hours
 - No cancellation after commencement of services
 - No cancellation after acceptance of gifts
 - Substantial administrative fee charged upon cancellation



Pros and Cons of a Mandatory Cooling-off Period



- Deter unfair trade practices, enhance consumer protection
- Improve trader's reputation
- Increase consumer confidence, boost sales
- Reduce cost and time for handling consumer complaints



- Undermine freedom of contract
- Increased cost
- Abuse by consumers
- Disputes relating to the coverage and operational arrangements

Learning from experiences, and adopting a pragmatic approach, the Council considers necessary to legislate a mandatory cooling-off regime to enhance consumer protection



Mainland & Overseas Experiences (1)



消費者委員會
CONSUMER COUNCIL

- Most jurisdictions have established mandatory cooling-off regimes

	Distance	Unsolicited/ Off-premises	Timeshare	Fitness	Online shopping
Mainland	✓	#	#	#	✓
Taiwan	✓	✓	#	#	✓
Singapore	X	✓	✓	#	X
South Korea	✓	✓	#	#	✓
EU	✓	✓	✓	#	✓
UK	✓	✓	✓	#	✓
Australia (Federal)	✓ (telemarketing only)	✓	✓	✓ (Queensland)	X
USA (Federal)	X	✓	✓	✓(New York)	X
Canada (Federal)	X	✓	✓	✓(Ontario)	X

(#) Not aware of



Mainland & Overseas Experiences (2)



消費者委員會
CONSUMER COUNCIL

	Duration	Minimum transaction	Cancellation method	Return	Refund	Refund method
Mainland	7 days	-	-	7 days	15 days	Same as payment method
Taiwan	7 days	-	Written	15 days	15 days	-
Singapore	5 days (excluding Fri, Sat & Sun)	SGD\$50	Written	After refund	60 days	-
South Korea	7-14 days	-	-	-	3 business days	-
EU	14 days	-	Oral/ Written	14 days	14 days	Same as payment method
UK	14 days	£42	Oral/ Written	14 days	14 days	Same as payment method
Australia (Federal)	10 business days	AUD\$100	Oral/ Written	Reasonable time	-	-
USA (Federal)	3 business days	US\$25-130	Written	20 days	10 business days	-
Canada (Federal)	10 days	CAD\$50	Oral/ Written	After refund	15 days	-

(-) Not expressly provided in the relevant legislation



Mainland & Overseas Experiences (3)



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- In all jurisdictions :
 - Cooling-off period covers goods and services (subject to minimum transaction requirements in some jurisdictions)
 - Traders allowed to receive consumer payment during cooling-off period (except Australia and Singapore)
 - Consumers have to pay compensation for mishandling of goods (except the USA, Mainland and Taiwan where it is not expressly provided in the legislation)
 - No administrative fee on cancellation (except Mainland where traders are allowed to deduct a fee for credit card transactions)
 - No waiver or curtailment of the cooling-off right is allowed
- In the UK and Mainland, traders should reimburse the consumer using the same payment method as the consumer used in the purchase transaction
- No uniform practices for the return of goods. In the UK, Singapore and Mainland, consumers have to bear the cost of return
- In the UK, Australia, Canada and Singapore, ancillary contracts will be terminated/cancelled upon cancellation of the main contract



Key Principles - Introducing Mandatory Cooling-off Period

Pragmatic and addressing local circumstances

Respect freedom of contract

Deter unfair trade practices

Mitigate impact on business operations

Fair and reasonable

Feasible and sustainable



Recommendation on Scope of Application

1. Unsolicited off-premises contracts
2. Distance contracts
3. Timeshare contracts
4. Fitness services contracts
5. Beauty services contracts





Unsolicited Off-premises Contracts - Coverage

- Unsolicited transactions concluded away from traders' business premises
- Psychologically unprepared, more difficult to make informed decision
- Business premises
 - Examples: retail shops, temporary shops in shopping malls and booths in exhibitions, e.g. Wedding Expos and Book Fairs
- Not business premises
 - Examples: consumer's home, roller display banners set up on the street



Unsolicited Off-premises Contracts - Examples

- A consumer transaction concluded during an uninvited visit to the consumer's home or workplace
- A consumer receives a "cold call" from a direct seller and permits its representative to make a home visit for product demonstration. The consumer purchases the product during the home visit
- Contracts concluded at the trader's business premises immediately after an uninvited approach by the trader's representative in the street



Distance Contracts - Coverage

- Consumer transactions negotiated and concluded by distance communications
- Includes mail order, telephone and fax (excludes online shopping)
- Whole process must be conducted by distance communications



Timeshare Contracts

- By reference to the relevant UK legislation, mandatory cooling-off period for timeshare contracts with a duration of over 1 year

Fitness Services and Beauty Services Contracts

- Mandatory cooling-off period for contracts with a duration of not less than 6 months or involving prepayment



Proposed Exemptions (1)



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- The following contracts should be exempted:
 - Financial services (banking, credit, insurance);
 - Property transactions (the sale of immovable property and tenancies);
 - Passenger transport services (flight/train/bus/ferry tickets);
 - Professional services (legal services, accounting services, and healthcare services such as plastic surgery and physiotherapy);
 - Utility services (supply of gas, electricity and water); and
 - Public services provided by the Government and public bodies.



Proposed Exemptions (2)



消費者委員會
CONSUMER COUNCIL

- The following transactions should also be exempted:-
 - Purchases involving not more than \$500;
 - Custom-made goods;
 - Food and drinks;
 - Books and magazines;
 - Goods received sealed for health protection or hygiene reasons once unsealed;
 - Sealed audio, video and software products once unsealed;
 - Audio, video, computer software or other digital content products which are not supplied on a tangible medium;
 - Supply of accommodation, catering or vehicle rental services, transportation and leisure activities if the contract provides for a specific date of performance;
 - Urgent household repairs;
 - Fully performed service; and
 - One-off fitness services or beauty services with specific date of performance



E-commerce

- Value of e-commerce sales in HK equivalent to 5.3% (\$448 billion) of the total business receipts, far lower than other regions

Industry	5-yr total (2013-17)	Share of complaints re online shopping
Travel matters/ Hotels	5,507	29%
Telecom services/ equipment	3,353	17%
Computer products	1,377	7%
Clothing & apparel	1,166	6%
Personal care products	931	5%
Food and entertainment services	850	4%
Beauty/fitness/hairstyling	687	4%
Electrical appliances	585	3%
Storage & courier services	578	3%
Food and drink	485	3%



Nature of complaints	5-yr total (2013-17)	Share of complaints re online shopping
Sales practice	3,223	17%
Delayed delivery	6,025	31%
Price/charge dispute	3,258	17%
Service quality	2,523	13%
Product quality	1,340	7%
Contract variation/ termination	1,014	5%
Wrong model	339	2%
Suspect counterfeit goods	281	1%
Gifts/Discounted goods	270	1%
Expired product	234	1%



Should Cooling-off Period be introduced for E-commerce ?

Support

- Consumers can check the goods and cancel the purchase if the goods do not meet expectations
- Boost consumer confidence and foster development of e-commerce
- Available in EU/UK, South Korea, Mainland China, Taiwan and Latin American countries; also a focus for consumer protection worldwide

Oppose

- High satisfaction level*, no imminent need for regulation
- Increase operational costs, especially for SMEs
- Competition will bring about voluntary cooling-off period
- No legal definition of "online purchase"; its cross-border nature also bring enforcement problems

The Council expects that the community needs more time to deliberate on the needs and the costs & benefits of a cooling-off period for e-commerce



Proposed Operational Arrangements

- Duration of cooling-off period
- Information requirement
- Exercise of cancellation right
- Refund arrangements
- Return of goods
- Ancillary contracts
- Curtailment of cancellation right
- Enforcement



Duration of Cooling-off Period

- Not less than 7 days
- Goods – after the date of delivery of goods to consumers
- Services – after the date of transaction

Considerations

- Follow international practices
- Minimise the risk of devaluation or damage of products during cooling-off period
- Reasonableness to consumers and traders



Information Disclosure (1)



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- Traders must provide the following information to consumers in writing before completion of transaction:
 - Product description, transaction amount, payment method and delivery arrangements
 - Trader's identity, contact information (address, phone and fax number, email address, etc)
 - Cancellation form containing details of the cancellation right, procedures and roles and responsibilities
 - Fees to be incurred upon cancellation of contracts, including administrative fee, express delivery charge, compensation for mishandling of goods, and charging mechanism for service used
 - Complaint channel and policy



Information Disclosure (2)



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- In the case of distance contracts, if traders are unable to provide the information in details due to constraints of time or communication methods, they can choose the appropriate means of disclosure with guiding principle that consumers are given sufficient time to consider. For instance:
 - Advise consumers to read its website
 - Email the information and the cancellation form to consumers



Information Disclosure (3)



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- If traders fail to inform consumers of their cancellation right, cooling-off period will not commence until consumers receive such information, subject to a limit of 3 months from the date of the transaction
- If traders fail to disclose the fees to be incurred upon cancellation of contracts, consumers would not be liable for such fees
- In case of disputes, it is for the traders to prove that the information disclosure requirement has been complied with



Exercise of Cancellation Right



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- Consumers should effect cancellation of the contract within the cooling-off period in writing
- Consumers should keep record to prove proper exercise of cancellation right in case of disputes
- Traders should provide standard cancellation form in either Chinese or English for easy access by consumers
- If traders fail to provide a cancellation form, consumers can use the standard form prescribed by legislation
- Delivery in person, by post, fax or email





Refund Arrangements (1)



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- Time limit
 - Goods: 14 days from the day after receipt of the returned goods
 - Services: 14 days from the day after exercise of cancellation right
- Refund method
 - Unless otherwise agreed, refund should be made using the same payment method as the consumer used in the purchase transaction
- Credit card transaction
 - Traders should instruct banks/acquirers to cancel transaction and make refund within 14 days
- Traders are allowed to complete transaction and accept payment during cooling-off period



Refund Arrangements (2)



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- If proper disclosure is made prior to the conclusion of the transaction, traders are allowed to make the following deductions from the refund:
 - If the consumer paid by way of credit card, an administration fee of not more than 3% of the credit card transaction value
 - Express delivery charge (if opted for by the consumer)
 - A reasonable amount of compensation caused by the mishandling of goods by the consumer. The amount depends on the circumstances. In case of disputes, can resolve by mediation or conciliation
 - Value of service used. The amount should be in proportion to the full contract price



Refund Arrangements (3)



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- What is mishandling?
 - Beyond what might be reasonably allowed for inspection in a shop
- How to calculate reasonable compensation?
 - Depends on circumstances
 - For example: severity of damage, repair cost, presence of secondary market and price
- Example :

A consumer uses a vacuum cleaner repeatedly to clean his home during cooling-off period



Return of goods

- Time limit and method
 - Consumers should return the goods as soon as practicable and within 14 days after cancellation
 - Consumers can choose the method of return, e.g. by post, courier or in person
- Who will bear the cost of return?
 - The Consumers
 - Can reduce abuse and disputes





Ancillary Contracts (1)



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- A contract that relates to the main contract; can be between a consumer and the main contract trader or a third party as arranged by the trader; but not between a consumer and a third party without the involvement of the main contract trader
- Common Examples:
 - Credit card instalment payment plan (IPP)
 - Extended or additional maintenance service



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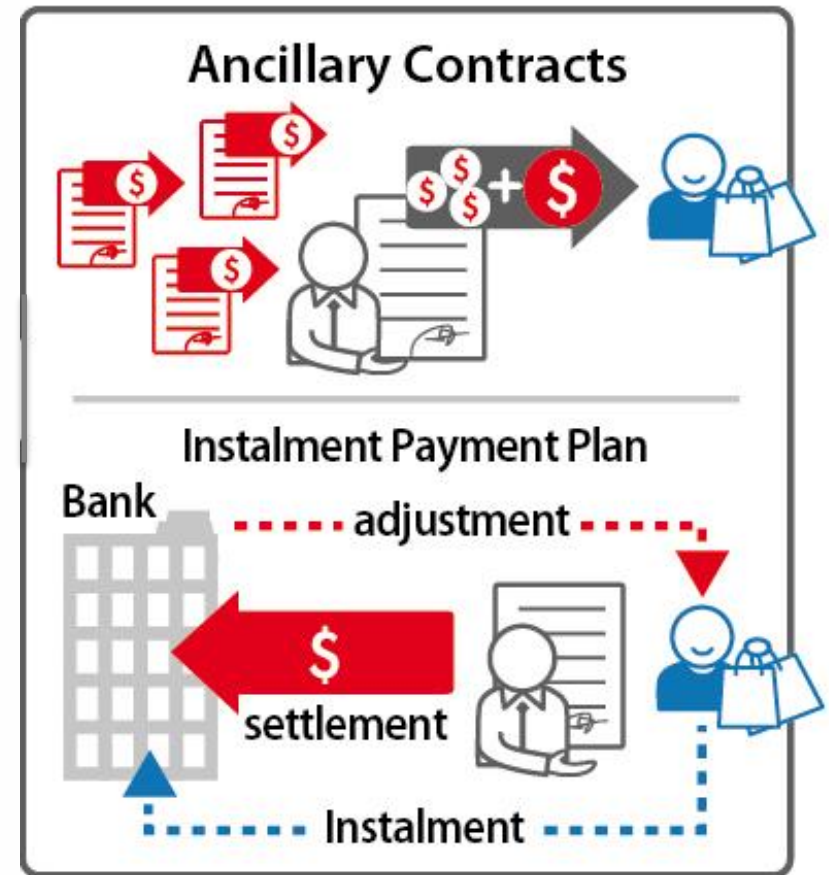
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Ancillary Contracts (2)

- If the consumer cancels a main contract within the cooling-off period, any ancillary contracts should be terminated automatically
- Consumers shall bear administrative fee (not more than 3% of the credit card transaction value) and value of service used
- Disclosure of fees before signing contract
- Refund to be made by the payee





Curtailment/Waiver of Cancellation Right

- No waiver, curtailment or restriction is allowed
- Prevent consumers from being misled or pressurised into waiving their rights
- In line with general practices of other jurisdictions





Enforcement & Penalty

- Establish/appoint a designated public body/authority as the enforcement body
- A civil compliance-based mechanism
- The enforcement body can seek undertakings from traders to stop or refrain traders from continuing a breach of the law
- If necessary, the enforcement body can apply to the court for injunction
- Failure to comply with a court order constitutes contempt of court which could attract fine or imprisonment
- Consumers can take out civil action to recover compensation for loss suffered as a result of the trader's failure to comply with the law



Conclusion

- Unfair trade practices are detrimental to consumer interests
- Voluntary cooling-off periods are subject to different terms & conditions; effectiveness is questionable
- Imminent need for mandatory cooling-off period exists
- Call for consensus and concerted effort to enhance consumer protection!





Thank You