

## **Ask More before Subscribing for Fixed-line Services**

Today, the majority of residential telephone service users in Hong Kong can enjoy fixed telephone services from a choice of two or more fixed telecommunications network operators. The multi-operator environment has stimulated competition in prices and service quality, bringing tremendous benefits to consumers. Other than prices and product/service quality, before committing to a new fixed-line service contract, a smart consumer should note the following points:

### **1. Fixed-term Contract**

While the offer of special rates or concessionary service plans might seem attractive, it often entails the bindings of a fixed-term contract. Under a fixed-term contract, usually a customer will be required to pay a penalty/liquidated damage/installation charge if he/she terminates the contract before the contract period (say, 12 to 24 months) expires. Even if a customer finds the service quality provided by the operator unsatisfactory during the commitment period, many of them might have to continue to subscribe for the service reluctantly to avoid losses resulted from penalty charges. Therefore, before entering into a fixed-term contract, you are strongly advised to read the terms and conditions carefully and collect information from your friends who have the experience in using the services of the operator concerned.

### **2. Termination Notice to the Existing Operator**

If you are to switch from one operator to another, you should check you're your incumbent service provider (operator) the advance notice requirements. Different operators set different notice requirements in their contracts. But the advance notice period required may be as long as 30 days. Without sufficient notice on termination, you may be charged one month's service payment. If your existing fixed-line service contract is a fixed-term one, early termination penalties may be invoked.

### **3. NSD Form**

In addition, to keep the telephone number that you are using, you will be required to complete and sign a Notification of Service Disconnection (NSD) form. Please read the terms and conditions in the form carefully before you authorise the new operator to proceed with your request for porting out the number you are using. In the form, customer's name, identity card number and business registration number (if applicable) are important information. Your request for porting out the number may be rejected if there are mismatches between the information you provide in the NSD form and that you registered with your existing operator.

To facilitate the number porting process, you are advised to keep a copy of the current service contract and the most recent bill for easy reference to ensure that the information that you provide in the NSD form matches with the existing operator's information. If you are not sure of the accuracy of your registered information, please

approach your existing operator to check or update the information before switching to another operator.

#### **4. Network Coverage**

If you are moving to a new address in the near future, you should confirm you're your fixed telecommunications network operator on whether your new address will be covered by its network. At present, only one fixed telecommunications network operator is obligated to provide universal service in Hong Kong, while other operators are building fairly extensive networks. If your new address will not be covered by an operator's network, you will not be able to use its service. If you decide to terminate a service contract after you move and if the contract is a fixed-term one, again, early termination penalties may be invoked.

#### **5. Possible Delay in Provision of Service**

It is advisable to confirm in writing the exact date on which the new operator will start to provide service. Delay in provision of service may occur due to technical hiccups or coordination problems between the incumbent and the new operators. You should clarify your rights under these circumstances, such as -- can you request for termination of the new contract without penalties? Will the new operator provide you with a mobile phone or call forwarding services? Will it pay for your mobile phone bills during the no-service period? Any arrangements for claims for compensation? If you need to resume the service provided by the incumbent operator, you may have to pay installation charge if its service is already cut. Better have the salesperson's promises put down in writing to avoid future disputes.

#### **6. New Wiring at Your Premises**

New wiring, re-wiring or the use of unconcealed wiring may have to be arranged at your premises/home. Ask if any of this is necessary and when the arrangement will be confirmed. Consider whether you will accept the arrangement. If you decide later that the arrangement is not acceptable, ask whether you will be liable to any penalties for cancellation of the subscription.

#### **7. Availability of Value-added Services**

The value-added services that you are enjoying with your operator, such as different ringing tones for different numbers, rejecting blacklisted or unwelcome numbers, may not be the same as those from the new operator. It would be advisable to check with the relevant salesperson before subscription.

If the salesperson fails to set your mind at ease, you have the choice of not subscribing.

Remember, once a contract is signed, it is binding on both parties.

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