

DRAFT



CCCS GUIDELINES ON PRICE TRANSPARENCY

DRAFT

PRICE TRANSPARENCY GUIDELINES

CONTENT

1. Introduction.....	3
2. The Effects of Misleading Pricing Practices on Consumers.....	4
3. Ensuring Price Transparency.....	5
3.1 Drip Pricing.....	5
3.2 Price Comparison (to Represent a Price Advantage Over Other Suppliers).....	8
3.3 Discounts (to Represent a Price Benefit).....	10
3.4 Use of the Term “Free”.....	12
4. Conclusion.....	14

DRAFT

1. Introduction

- 1.1 The Competition and Consumer Commission of Singapore (“CCCS”) administers the Consumer Protection (Fair Trading) Act (Cap. 52A) or “CPFTA”, which seeks to protect consumers against unfair trading practices in Singapore. These guidelines explain how CCCS expects the CPFTA to operate in relation to the display/advertisement of prices and pricing practices that confer a price benefit, price advantage or complimentary good/service that consumers can enjoy.
- 1.2 The guidelines discuss various manners of price displays/advertisements and pricing practices such as time-limited discounts, free offers and price comparisons. The guidelines indicate some of the factors and circumstances that CCCS may consider for each case when assessing whether displayed/advertised prices and pricing practices are sufficiently transparent, or potentially misleading. The guidelines also include actions that suppliers should take in relation to these practices to ensure that prices and their accompanying conditions are accurate and communicated clearly.
- 1.3 Under section 4 of the CPFTA, it is an unfair practice for a supplier –
 - (a) to do or say anything, or omit to do or say anything, if as a result a consumer might reasonably be deceived or misled;
 - (b) to make a false claim; or
 - (c) to take advantage of a consumer if the supplier knows or ought reasonably to know that the consumer is not in a position to protect his/her own interests or is not reasonably able to understand the transaction or any matter related to it.
- 1.4 Suppliers should also note that 24 specific unfair practices have been listed under the Second Schedule to the CPFTA, and there are some unfair practices which relate specifically to price transparency.
- 1.5 CCCS is empowered to apply for an injunction against a supplier who has engaged, is engaging or is likely to engage in an unfair practice or person(s) who knowingly abet, aid, permit or procure supplier(s) to engage in an unfair practice. Under section 18A(1) of the CPFTA, the supplier bears the burden of proving that he/she has complied with section 4 of the CPFTA (i.e. not committed an unfair practice).
- 1.6 These guidelines are not a substitute for the CPFTA and its regulations. They may be revised should the need arise. The examples in these guidelines are for illustration and

DRAFT

are not exhaustive. They do not set a limit on the investigation and enforcement actions of CCCS.

2. The Effects of Misleading Pricing Practices on Consumers

- 2.1 Transparent prices allow consumers to make informed purchasing decisions and are essential to a well-functioning market. The way suppliers display and advertise prices can have significant impact on consumer behaviour and decisions to purchase. For example, consumers are likely to perceive the price benefit of two identically priced products differently, if one of them is presented as having been previously sold at a higher price. With the higher “pre-sale” price acting as a reference point, consumers tend to perceive a greater price benefit, and are more likely to purchase the product. It should be noted that if the higher reference price is displayed merely to create an impression of a larger price benefit but the product has not been sold at this higher reference price for a reasonable length of time before the sale, this may be considered a false and/or misleading representation under the CPFTA.
- 2.2 Consumer behaviour and perception can also be influenced through various pricing practices/strategies, such as time-limited sales and drip pricing. Time-limited sales target consumers’ aversion to losses and place pressure on consumers to complete the transaction within a stipulated time. This means less time for consumers to consider the purchase and search for alternatives and/or make price comparisons between alternative brands and products. Drip pricing is the conduct of adding mandatory or optional fees or charges along the transaction/payment process. This practice has a lock-in effect on consumers’ decision to purchase and taps on consumers’ inertia to repeat the search and payment process, thereby increasing the likelihood that consumers would end up paying more for goods and services. Such pricing practices/strategies like time-limited sales and drip pricing may potentially mislead consumers. The subsequent sections of the guidelines will provide more details on how the use of such pricing practices/strategies could potentially infringe the CPFTA as well as outline actions which suppliers should take.
- 2.3 Given the significance of price transparency, the key principle behind the guidelines is that suppliers should ensure that prices and their accompanying conditions are accurate and communicated clearly, so that consumers can make informed choices. The guidelines will apply to both online and physical retail pricing practices.

3. Ensuring Price Transparency

3.1 Drip Pricing

A. Background

3.1.1 “Drip pricing” refers to the practice of advertising a product or service at a lower headline price (i.e. displayed/advertised) than the final price that a consumer would pay. The increase in total price is usually a result of disclosing additional mandatory or optional fees or charges during the transaction/payment process. Drip pricing can occur on some online platforms, such as some travel booking websites.

3.1.2 A common method to “drip” optional charges is through the use of pre-ticked boxes. Pre-ticked boxes are checkboxes to purchase additional goods or services that suppliers have pre-selected for consumers. For example, a checkbox to purchase travel insurance that has already been ticked by default. In cases of pre-ticked boxes, consumers would have to uncheck or opt-out of the pre-selection if they do not wish to purchase that good or service. Without clearly communicating and indicating to consumers the existence of pre-ticked boxes, consumers may end up buying unwanted goods or services as a result of failing to uncheck such boxes.

B. CCCS’s Position

3.1.3 Suppliers should ensure that any unavoidable or mandatory fees/charges (e.g. taxes, surcharges, room cleaning fees) are included in the total headline price. Where any mandatory fees/charges cannot be reasonably calculated in advance, suppliers should clearly disclose the existence of such fees/charges upfront.

3.1.4 The Goods and Services Tax (GST) Act mandates GST-registered businesses (except businesses in the hotel, and food and beverage industries) to display prices that include the GST. The GST-inclusive price must be displayed at least as prominently as the GST-exclusive price.¹

3.1.5 When prices are displayed to consumers only in Singapore dollars but payments are processed outside Singapore, suppliers should clearly disclose that the transaction is a cross-border one that may involve unavoidable additional fees associated with currency conversions or cross-border payments that may only be disclosed to the consumer at the point of billing.

¹ For more details, see www.iras.gov.sg/irashome/GST/GST-registered-businesses/Learning-the-basics/How-to-implement-GST/Displaying-and-Quoting-Prices/Displaying-and-Quoting-Prices

DRAFT

3.1.6 For optional add-ons (e.g. travel insurance, express delivery charges), suppliers should ensure that these add-on options are prominent, noticeable to consumers and properly disclosed, i.e. the terms and conditions, any qualifiers and charges should be made clear to consumers. As good practice, suppliers should avoid the opt-out approach, i.e. using pre-ticked boxes to automatically include add-ons and requiring consumers to opt-out (or deselect the pre-ticked boxes) of such add-ons. If pre-ticked boxes are used, suppliers must provide proper disclosures of the goods or services offered in a clear and prominent manner. The use of pre-ticked boxes can amount to a false or misleading representation of the headline price especially if disclosure is not proper and clear, such as the failure to include the cost of a pre-ticked optional add-on to the total headline price listed upfront.

C. Potential CPFTA Infringements

3.1.7 Suppliers that use drip pricing could potentially engage in unfair practices.²

I. Charging a Substantially Higher Price than the Advertised Price³

Example of Possible Infringement

3.1.8 A consumer sees an online advertisement by Comfy Hotel for a deluxe room that costs \$200 per night. Based on this price, he decides to book a deluxe room for one night on their website. At the payment page, he is required to pay \$300 as there is an additional \$100 mandatory cleaning charge, and that the total price for a deluxe room at Comfy Hotel is \$300 per night.

3.1.9 In the example, Comfy Hotel should have included the mandatory fee of \$100 in the headline price on the online advertisement. By omitting the mandatory cleaning fee, Comfy Hotel had misled consumers into thinking that the deluxe room is cheaper than what it really is.

II. Omission and Concealment of Material Facts⁴

3.1.10 The key terms and conditions for the purchase of any products or services at physical stores, including membership subscriptions, should not be stated in fine print as the use of fine print makes it likely that consumers would miss material information.

² Please refer to section 4 of the CPFTA for the meaning of unfair practices and Second Schedule to the CPFTA for the 24 specific unfair practices.

³ Unfair Practice #8 – “Charging a price for goods or services that is substantially higher than an estimate provided to the consumer, except where the consumer has expressly agreed to the higher price in advance.”

⁴ Unfair Practice #20 – “Omitting to provide a material fact to a consumer, using small print to conceal a material fact from the consumer or misleading a consumer as to a material fact, in connection with the supply of goods or services.”

DRAFT

3.1.11 Consumers are also likely to miss material information online when it is presented in fine print and hence, be misled. The use of elements that conceal, reduce prominence and compete for attention with pre-ticked boxes are considered distracting as they divert the consumers' attention and increase the likelihood that consumers would miss the pre-ticked boxes. Examples of distracting factors include pop-ups and flashing banners.

III. Supply of Unsolicited Goods or Services⁵

3.1.12 The supply of unsolicited goods or services refers to goods or services provided to a consumer who did not request them. This may include cases where consumers did not notice a pre-ticked box that is located in an inconspicuous place and/or in fine print and hence, failed to uncheck it.

3.1.13 Under the Consumer Protection (Fair Trading) (Opt-Out Practices) Regulations 2009 ("CPFTOP")⁶, consumers have private remedies against unsolicited goods or services. When a supplier had supplied unsolicited goods or services, the consumer can refuse to make payment for the unsolicited goods or services, or if payment had been made, to demand a refund from the supplier.

D. Actions that Suppliers Should Take

3.1.14 **Adopt opt-in or opt-neutral⁷ approach for add-ons.** Opt-in and opt-neutral approaches require consumers to actively click on checkboxes to select additional optional goods or services that they wish to purchase. In doing so, suppliers benefit as consumers are less likely to seek a refund and/or dispute that they were unaware of the pre-ticked box.

3.1.15 **Ensure clear disclosures for pre-ticked boxes.** If pre-ticked boxes are used to offer goods or services, suppliers should disclose their qualifiers and terms and conditions upfront to the consumers. These disclosures should be clear, prominent, transparent and written in a manner that is easy for the intended audience to understand.

(a) **Clearly display pre-ticked boxes.** Suppliers should ensure that consumers notice the pre-ticked boxes, such as through appropriate design, layout and font size.

⁵ Unfair Practice #22 – "Purporting to assert a right to payment for the supply of unsolicited goods or services."

⁶ For more details on the CPFTOP regulations, you may visit www.sso.agc.gov.sg/SL/CPFTA2003-S67-2009?DocDate=20151030.

⁷ The opt-in approach requires consumers to actively give consent by selecting a checkbox that is unchecked by default. Under the opt-neutral approach, or "forced choosing" approach, consumers are required to actively select one of two options (e.g. "yes" or "no") in order to proceed to the next step in the transaction process.

DRAFT

- (b) **Clearly display hyperlinks to terms and conditions accompanying pre-ticked option(s).** In most cases, the use of hyperlinks for disclosures of additional material information/terms and conditions accompanying pre-ticked options of goods or services is unlikely to be sufficient. However, when it is not possible to make clear and prominent disclosure due to space constraints, hyperlinks may reasonably be used provided that –
- i. the hyperlink is noticeable and placed as close as possible to the relevant pre-ticked box(es);
 - ii. the label for the hyperlink appropriately conveys the nature and relevance of the information it leads to; and
 - iii. the same hyperlink style is used throughout so consumers know when a link is present.
- (c) **Be upfront and clear about opt-out, cancellation and refund options.** Where consumers are given the option to opt-out of the pre-ticked option (at a later date), or to obtain a refund within a specified period, suppliers should display the information upfront and prominently. Such terms and conditions should be conveyed before consumers make payment.
- (d) **Clearly disclose all subsequent charges.** Where pre-ticked boxes are used for optional goods or services that are charged after consumers have completed the initial transaction, suppliers must inform consumers upfront.

3.1.16 **Provide a final itemised price listing.** A final itemised price breakdown should be included in the transaction process to clearly reflect all mandatory and optional fees/charges to be incurred, before consumers make payment. Consumers should also be given the opportunity to “de-select” or remove items at this stage, especially for pre-selected options, without being directed back to the start or previous stage(s) of the transaction.

3.2 Price Comparison (to Represent a Price Advantage Over Other Suppliers)⁸

A. Background

⁸ For comparisons between the original and discounted prices of products/services offered by the same supplier, please refer to *Section 3.3* on Discounts.

DRAFT

3.2.1 Suppliers are known to make price comparisons with their competitors to indicate a competitive price and price advantage. Typical examples of making price comparisons include, “our price \$20, elsewhere \$30” and “best price in Singapore”.

B. CCCS’s Position

3.2.2 Suppliers should ensure that any representations and price comparisons with other suppliers’ prices or the use of terms such as cost price, are not false or misleading. In order to reflect prices truthfully, suppliers should conduct their own research which should include comparing prices of goods or services that are accepted to be similar or equivalent by consumers or trade norms.

C. Potential CPFTA Infringements

3.2.3 Suppliers making false or misleading representations of or comparisons with other suppliers’ prices could potentially infringe the CPFTA.

***I. Misrepresentation of Price Advantage*⁹**

Example of Possible Infringement

3.2.4 An electronics store advertised that its price for model X headphones is \$25 and stated that their competitor’s price is \$50. However, the actual price offered by their competitor is \$25, so there is no actual price advantage.

3.2.5 When suppliers indicate, through the comparison of prices, savings that the consumers can reap, suppliers must be able to substantiate that the representation is not false or misleading.

***II. Omission and Concealment of Material Facts*¹⁰**

Example of Possible Infringement

3.2.6 An electronics shop represented in an advertisement that the prices of their inkjet printers are cheaper than their competitor’s. However, the advertisement did not mention that they were comparing the prices of an older model of inkjet printer with their competitor’s latest model, which has better specifications such as faster printing speed.¹¹

⁹ Unfair Practice #7 – “Representing that a price benefit or advantage exists respecting goods or services where the price benefit or advantage does not exist.”

¹⁰ Unfair Practice #20 – “Omitting to provide a material fact to a consumer, using small print to conceal a material fact from the consumer or misleading a consumer as to a material fact, in connection with the supply of goods or services.”

¹¹ This example is adapted from an example stated in the Korea Fair Trade Commission’s Guidelines for Examination of Deceptive Labelling and Advertising 2015.

DRAFT

D. Actions that Suppliers Should Take

- 3.2.7 **Record reference prices.** By keeping records and capturing evidence (where possible) to indicate that prices have been compared on a fair basis and that due diligence has been done, suppliers would be able to prove that the representation of price advantage is not false or misleading.
- 3.2.8 **Use accurate reference prices.** Suppliers should ensure that the higher price they are using in their price comparison is the actual and regular selling price of the equivalent product. For example, if a product has been sold at \$x for about three to six months, this could be a good indication that it is the regular selling price. However, if a product has only been sold at \$y for a week, it would not be a reasonable length of time.
- 3.2.9 **Keep reference prices updated.** As good practice, suppliers should check the referenced price periodically to see if there is any change. Suppliers who are subsequently aware that there has been a change in the referenced price, for example, a competitor's price, should withdraw or amend the relevant price comparison made accordingly.

3.3 Discounts (to Represent a Price Benefit)¹²

A. Background

- 3.3.1 Discounts may be offered for different reasons and time periods. Unlike price comparisons, discounts are price benefits arising from a supplier's offer as compared to its usual price, rather than against other suppliers' prices. For example, "clearance sales" to clear old stocks, or "moving out sales" before ending operations at an outlet.
- 3.3.2 A common way to represent a discount on a price tag or advertisement is the use of strikethrough pricing (e.g. ~~\$75~~) which is contrasted with the discounted price. Other common methods include the use of percentage reduction in prices, and/or qualifying terms for the percentage reduction, such as "at least" or "up to" (e.g. up to 50% off).

B. CCCS's Position

- 3.3.3 When suppliers offer a discount and/or make comparisons with a previous price (e.g. through strikethrough pricing) to represent a price benefit, they should use an actual, bona fide previous price (i.e. usual price) that provides a legitimate basis for the price

¹² For comparisons between prices offered by one supplier and other suppliers, please refer to *Section 3.2 on Price Comparison*.

DRAFT

comparison so that consumers are not misled about the savings they may achieve from purchasing the discounted product/service.

C. **Potential CPFTA Infringements**

3.3.4 Suppliers that mislead consumers about a potential price benefit or make false/misleading representations about their usual prices, could potentially infringe the CPFTA.

I. **Misrepresentation of Price Benefit**¹³

Example of Possible Infringement

3.3.5 A retailer had bundled two packets of instant noodles and priced it at \$6 during a “buy-one-get-one-free” promotion. However, it was found that the retailer had been selling the instant noodles for \$3 per packet.¹⁴

3.3.6 By falsely representing that consumers can enjoy a price benefit of two packets of instant noodles for the price of one, the retailer may have engaged in an unfair practice under the CPFTA.

II. **Misrepresentation of the Duration of a Sale**¹⁵

Example of Possible Infringement

3.3.7 A restaurant advertised that discounts for their lunch sets were for a “limited period only”, but these discounts continued to be available for two more years.¹⁶

3.3.8 Suppliers must not make representations that there is a discount if they do not in good faith expect to increase the price at a later date, i.e. after the stipulated discount period, or after a reasonable period of time. Such misrepresentations mislead consumers into believing that there is a price benefit and scarcity in the availability of the promotional prices. In addition, this gives the errant supplier an unfair advantage over suppliers who do not make such misrepresentations. A discounted price may be

¹³ **Unfair Practice #7** – “Representing that a price benefit or advantage exists respecting goods or services where the price benefit or advantage does not exist.”

¹⁴ This example is based on the South Korean Fair Trade Commission’s lawsuit against discount chains (E-mart, Home plus and Lotte Mart) in 2017 for offering deceptive “Buy one, get one free” promotions. Source: www.koreatimes.co.kr/www/tech/2017/11/694_228901.html

¹⁵ **Unfair Practice #18** – “Representing that goods or services are available at a discounted price for a stated period of time if the supplier knows or ought to know that the goods or services will continue to be so available for a substantially longer period.”

¹⁶ This example is adapted from the pricing practices of an entity investigated by CCCS. For more details, see www.cccs.gov.sg/media-and-consultation/newsroom/media-releases/charcoal-thai-1-ends-unfair-practice-16-aug-19

DRAFT

reasonably perceived by consumers as the regular price if the “discounted price” has been offered perpetually.¹⁷

- 3.3.9 Suppliers must not make false or misleading claims that create unwarranted pressure or a sense of urgency for consumers to make an immediate purchase/booking by promoting a temporary “sale” or “special” price for a limited period, when the “sale’ or “special price” will still be available beyond the limited period.

D. Actions that Suppliers Should Take

- 3.3.10 **Use genuine usual prices.** When making comparisons with past prices, suppliers should ensure that the previous price has been offered on a regular basis or for a reasonable period. This price should have also been provided openly and actively in the recent, regular course of business of the supplier.

(a) **Do not raise prices before discount period to create artificial usual prices.** Suppliers should not increase prices prior to offering a discount to consumers, thereby creating an inflated price, to create the impression of a greater price benefit. In such scenarios, the offer of a discount may be considered misleading.

(b) **Record evidence of past sales and prices.** It is good practice for suppliers to retain records of prices, stocks and sale histories.

- 3.3.11 **Clearly state qualifying terms.** Qualifying terms, such as “up to”, “as low as” and “from”, must be easily readable and placed in close proximity to the prices displayed/advertised. Suppliers must ensure that qualifying terms stated are not false or misleading. For example, when a supplier represents that there are discounted goods sold *from* \$5, there should be goods priced at \$5.

- 3.3.12 **Where specified, time period of discounts should not be false or misleading.** Where suppliers specify a time period in which the product/service will be sold at the discounted price, the time period should be stated clearly and prominently, and should not be false or misleading. If suppliers have legitimate reasons to change the time period of the sales, they should amend or withdraw their advertisement as soon as possible.

3.4 Use of the Term “Free”

A. Background

¹⁷ Adapted from paragraph 8.1 of the Singapore Code of Advertising Practice (SCAP)

DRAFT

3.4.1 Suppliers are known to provide consumers with “free” products and services. This usually happens when suppliers are trying to entice consumers to try a product/service, so that they may eventually buy it.

B. CCCS’s Position

3.4.2 Suppliers should ensure that any representation that the price is \$0 or “free” is not false or misleading. Any qualifiers, terms and conditions and subsequent/deferred charges should be stated upfront clearly and prominently.

C. Potential CPFTA Infringements

3.4.3 Suppliers using the term, “free”, could mislead consumers and potentially infringe the CPFTA, should they seek compensation, whether partial or in full, in other ways to recover the cost.

***I. False or Misleading Offers of Free Products/Services*¹⁸**

Example of Possible Infringement

3.4.4 A magazine publisher advertised a “new year special offer” where new subscribers of the magazine would be given a “free electronic tablet worth \$110”. The usual price of the subscription is \$300, but during the “new year special offer”, the price was \$410. Thus, the use of the term “free” is misleading as the publisher had included the cost of the tablet in the subscription fee.¹⁹

3.4.5 When a product/service is part of the package price, suppliers must not represent that the particular product/service is free. The free item should genuinely be additional to what is being sold. In addition, suppliers must not represent any product/service as “free” if they have no intention of providing, or if they know or ought to know that the product/service will not be provided or provided as offered.

3.4.6 Suppliers must not represent a product/service as “free” if a consumer who does not enter into an agreement with a supplier or makes a separate purchase, is charged subsequently for the “free” product/service.

***II. Omission and Concealment of Material Facts*²⁰**

¹⁸ Unfair Practice #17 – “Offering gifts, prizes or other free items in connection with the supply of goods or services if the supplier knows or ought to know that the items will not be provided or provided as offered.”

¹⁹ This example is based on the UK ASA’s ruling on the Herald’s advertisement for a subscription offer in 2018.

Source: www.asa.org.uk/rulings/newsquest-media-group-ltd-a18-436563.html

²⁰ Unfair Practice #20 – “Omitting to provide a material fact to a consumer, using small print to conceal a material fact from the consumer or misleading a consumer as to a material fact, in connection with the supply of goods or services.”

DRAFT

Example of Possible Infringement

- 3.4.7 An online fashion retailer advertised “free shipping storewide”. However, the retailer had omitted to mention that in order to enjoy the free shipping, consumers have to make purchases amounting to more than \$200. This was only indicated at the payment page, in the total price breakdown.
- 3.4.8 If there are any terms and conditions that consumers must meet to be eligible for free gifts/services, suppliers should state them upfront prominently.

D. Actions that Suppliers Should Take

- 3.4.9 **Clearly disclose all terms and conditions.** Any terms and conditions should be made upfront and displayed clearly. These terms and conditions should be prominently placed near the “free” representation.
- 3.4.10 **Do not raise prices to cover costs of free gifts/trials.** Suppliers should ensure that the price of a product/service is not increased to cover the cost of a free gift/trial. Any “incidental cost” (e.g. shipping fees for the free gift) should be clearly stated at the outset.²¹ Suppliers should not try to recover costs by reducing the quantity, quality or composition of the product/service that must be purchased before the consumer can obtain a separate, free item.²²
- 3.4.11 **Inform consumers before free trials end.** When suppliers represent that a service is “free” for a certain period and chargeable after the free trial period has ended, suppliers should notify consumers before the end of the free trial period and provide clear information on the cancellation process.

4. Conclusion

- 4.1 The guidelines have discussed various manners of price displays/advertisements and pricing practices such as time-limited discounts, free offers and price comparisons. Businesses are strongly encouraged to adopt the recommended actions to take with regard to each pricing practice. Should businesses be unsure if a trading practice infringes the guidelines or the CPFTA, businesses may wish to consider seeking professional legal advice.

²¹ Adapted from paragraphs 7.1 and 7.3(c) of the SCAP

²² Adapted from paragraph 7.3(c) of the SCAP

SECOND SCHEDULE TO THE CPFTA

SPECIFIC UNFAIR PRACTICES²³

1. Representing that goods or services have sponsorship, approval, performance characteristics, accessories, ingredients, components, qualities, uses or benefits that they do not have.
 - 1A. Representing that the supplier has a sponsorship, approval or affiliation with respect to the supply of goods or services that the supplier does not have.
 - 1B. Making a false or misleading representation concerning the need for any goods or services.
2. Representing that goods or services are of a particular standard, quality, grade, style, model, origin, weight, volume, length, capacity or method of manufacture (as the case may be) if they are not.
3. Representing that goods are new or unused if they are not or if they have deteriorated or been altered, reconditioned or reclaimed.
4. Representing that goods have been used to an extent different from the fact or that they have a particular history or use if the supplier knows it is not so.
5. Representing that goods or services are available or are available for a particular reason, for a particular price, in particular quantities or at a particular time if the supplier knows or can reasonably be expected to know it is not so, unless the representation clearly states any limitation.
6. Representing that a service, part, repair or replacement is needed or desirable if that is not so, or that a service has been supplied, a part has been installed, a repair has been made or a replacement has been provided, if that is not so.
7. Representing that a price benefit or advantage exists respecting goods or services where the price benefit or advantage does not exist.
8. Charging a price for goods or services that is substantially higher than an estimate provided to the consumer, except where the consumer has expressly agreed to the higher price in advance.
9. Representing that a transaction involving goods or services involves or does not involve rights, remedies or obligations where that representation is deceptive or misleading.

²³ The unfair practices in blue font are the ones mentioned in the Guidelines.

DRAFT

10. Representing that a person has or does not have the authority to negotiate the final terms of an agreement involving goods or services if the representation is different from the fact.

11. Taking advantage of a consumer by including in an agreement terms or conditions that are harsh, oppressive or excessively one-sided so as to be unconscionable.

12. Taking advantage of a consumer by exerting undue pressure or undue influence on the consumer to enter into a transaction involving goods or services.

13. Representing that another supplier will, on the presentment of a voucher to that other supplier —

(a) supply certain goods or services; or

(b) supply certain goods or services at a discounted or reduced price,

when the supplier knows or ought to know that, on presentment of the voucher to that other supplier, such goods or services will not be supplied, or will not be supplied at a discounted or reduced price (as the case may be).

14. Making a representation that appears in an objective form such as an editorial, documentary or scientific report when the representation is primarily made to sell goods or services, unless the representation states that it is an advertisement or a promotion.

15. Representing that a particular person has offered or agreed to acquire goods or services whether or not at a stated price if he has not.

16. Representing the availability of facilities for repair of goods or of spare parts for goods if that is not the case.

17. Offering gifts, prizes or other free items in connection with the supply of goods or services if the supplier knows or ought to know that the items will not be provided or provided as offered.

18. Representing that goods or services are available at a discounted price for a stated period of time if the supplier knows or ought to know that the goods or services will continue to be so available for a substantially longer period.

19. Representing that goods or services are available at a discounted price for a particular reason that is different from the fact.

19A. Making an invitation to a consumer to purchase, or making an offer to sell to a consumer certain goods or services (called in this paragraph the original goods or services) at a certain price and then, with the intention of promoting different goods or services —

(a) refusing to show or demonstrate the original goods or services to the consumer;

(b) refusing to take any order for the original goods or services;

(c) refusing to supply the original goods or services in a reasonable time; or

DRAFT

(d) showing or demonstrating a defective sample of the original goods.

20. Omitting to provide a material fact to a consumer, using small print to conceal a material fact from the consumer or misleading a consumer as to a material fact, in connection with the supply of goods or services.

21. Accepting payment or other consideration for the supply of goods or services when the supplier knows or ought to know that the supplier will not be able to supply the goods or services —

(a) within the period specified by the supplier at or before the time at which the payment or other consideration is accepted; or

(b) if no period is specified at or before that time, within a reasonable period.

22. Purporting to assert a right to payment for the supply of unsolicited goods or services.

23. Sending to a consumer an invoice or document that states the amount of payment for the supply of unsolicited goods or services which does not contain, as the document's most prominent text, the following (or words to that effect):

"This is not a bill. You are not required to pay any money.",

unless the consumer has expressly acknowledged to the supplier in writing the consumer's intention to accept and pay for such goods or services.

24. Where an applicable agreement has been entered into in writing and a copy of the applicable agreement has not been given to the consumer, refusing to give the consumer a copy of the applicable agreement upon the consumer's request.