



PRE PAID SERVICES PTY LIMITED (PPS) FOUND BY COURT TO HAVE MADE FALSE REPRESENTATIONS REGARDING PHONE CARDS

THE FEDERAL COURT DECLARED THAT PPS ENGAGED IN FALSE MISLEADING AND DECEPTIVE CONDUCT IN RELATION TO CARDS PROMOTED FROM JANUARY 2008 TO 31 JULY 2009 BY:

- **REPRESENTING THAT NO FEES OTHER THAN TIMED CALL CHARGES WOULD APPLY WHEN IN FACT SERVICE FEES AND SURCHARGES APPLIED**
- **REPRESENTING THAT, ON THE CARDS:**
 - **A CERTAIN NUMBER OF MINUTES WAS AVAILABLE**
 - **A CERTAIN CALL RATE PER MINUTE WAS AVAILABLE**

WHEN IN FACT:

- **TOTAL NUMBER OF MINUTES AND STIPULATED CALL RATE COULD, AT BEST, BE ACHIEVED IF:**
 - **ONE CONTINUOUS CALL WAS MADE, OR**
 - **CALLS MADE PRECISELY MATCHED PARTICULAR CHARGING INCREMENTS;**
- **NUMBER OF MINUTES AVAILABLE AND CALL RATE PER MINUTE WERE DIMINISHED IN VALUE BY SURCHARGES AND SERVICE FEES.**

CONSUMERS ARE URGED TO MAKE SURE THEY ARE AWARE OF ALL APPLICABLE FEES AND CHARGES WHEN BUYING PHONE CARDS

The Australian Competition and Consumer Commission brought the proceedings in the Federal Court of Australia in relation to breaches of sections 52(1), 53(aa) and 53(c) of the Trade Practices Act 1974 which prohibit false, misleading or deceptive conduct.

The Court made orders that restrained PPS from engaging in similar conduct for a period of 2 years, required it to publish this notice and to take part in a Trade Practices compliance program. A copy of the decision and the detailed orders can be found at www.fedcourt.gov.au