

**CITY TELECOM (HONGKONG) LTD TAKES  
SMARTONE TELECOMMUNICATIONS HOLDINGS LTD  
TO THE HIGH COURT**

The gloves are off and 2 publicly listed companies appear to be willing to stand, toe to toe, in a slug-fest, the outcome of which could well be adjudicated in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

The 2 companies are SmarTone Telecommunications Holdings Ltd () (Code: 315, Main Board, The Stock Exchange of Hongkong Ltd) and City Telecom (Hongkong) Ltd ([]) (Code: 1137, Main Board, The Stock Exchange of Hongkong Ltd).

In High Court Action, Number 393, Hongkong Broadband Network Ltd (), a wholly owned subsidiary of City Telecom (Hongkong) Ltd, has issued a Writ of Summons, naming SmarTone Mobile Communications Ltd (), a wholly owned subsidiary of SmarTone Telecommunications Holdings Ltd, as the lone Defendant.

The Defendant, which trades under the name of SmarTone-Vodafone, is alleged to have been slightly remiss in respect of its payments for fixed-mobile Interconnection Charges for the 6 years to January 2008.

The Endorsement of Claim, attached to Writ of Summons, Number 393, states only:

*‘The Plaintiff’s claim arises under the interconnection arrangements between the Plaintiff and Defendant that have been in place since April 2002 (the terms of which are evidenced partly in writing and partly by conduct) whereby the Plaintiff operated and maintained fixed line telephony services and, inter alia, has provided interconnection services to the Defendant from April 2002 on the basis that the Defendant would pay Fixed-Mobile Interconnection Charges (or “FMIC”) for the costs caused to the Plaintiff as a consequence of that interconnection, for the period from April 2002 to January 2008 inclusive, together with interest accruing and costs, and the claim is:*

- 1. in the principal sum of HK\$18,923,569.12;*
- 2. interest accrued on the principal sum, at the contractual rate of 2% above the best lending rate of The Hongkong and Shanghai Banking Corporation Ltd., accruing daily on all outstanding amounts (including accrued overdue interest), of HK\$4,486,122.03 (as at 4 March 2008); ... [CLICK TO ORDER FULL ARTICLE](#)*

***While TARGET makes every attempt to ensure accuracy of all data published,  
TARGET cannot be held responsible for any errors and/or omissions.***

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to [editor@targetnewspapers.com](mailto:editor@targetnewspapers.com). **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*