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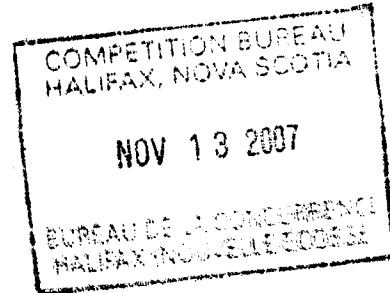
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Notre référence Our File
3101420

November 7, 2007

Mr. Jerry M. Nesker, Legal Counsel
Group of Gold Line
5255 Yonge Street, Suite 804
Toronto, ON M2N 6P4



A.J.

Dear Mr. Nesker:

Re: Written Opinion - Group of Gold Line

I am writing in response to your letter of June 13, 2007, in which you requested a Written Opinion under section 124.1 of the *Competition Act* (the "Act") for guidance on marketing representations that Gold Line will make for the 20/20 prepaid telephone calling card product.

Section 124.1 of the Act seeks to facilitate business conduct by indicating whether certain proposed conduct or practices would provide the Commissioner of Competition (the "Commissioner") with sufficient grounds to commence an inquiry on her own initiative pursuant to paragraph 10(1)(b) of the Act. You should understand that the Commissioner has no authority to decide the law. In addition, you should be aware that the Commissioner, under certain circumstances, is obliged to commence an inquiry under paragraphs 10(1)(a)¹ and 10(1)(c)² of the Act.

This opinion has been prepared based on existing jurisprudence; our previous Written Opinions dated December 24, 2004, June 9, 2006, October 19, 2006, and April 13, 2007; Competition Bureau (the "Bureau") experience; stated policies of the Bureau; the information and documentation you provided in your letter of June 13, 2007; and your responses to our requests for clarification dated July 12, 2007, August 16, 2007, August 28, 2007 and October 12, 2007.

¹Paragraph 10(1)(a) provides that six Canadian residents, under certain circumstances, can require that the Commissioner commence an inquiry.

²Paragraph 10(1)(c) provides that the Minister may direct the Commissioner to commence an inquiry.

Canada

This matter was reviewed under paragraph 74.01(1)(a) of the misleading representations and deceptive marketing practices provisions of the Act. Under paragraph 74.01(1)(a) of the Act, no person shall, for the purpose of promoting, directly or indirectly, the supply or use of a product, make a representation to the public that is false or misleading in a material respect.

OPINION

Based on our understanding of the facts, the information that you have provided, and your responses to our requests for clarification, it is our opinion that your promotional material for the 20/20 prepaid telephone calling card product would not provide the Commissioner sufficient grounds to commence an inquiry.

DISCUSSION

Our understanding of the material facts is as follows:

Gold Line intends to market the 20/20 prepaid telephone calling card using in-store print promotional posters and the actual prepaid telephone card as the only forms of advertising.

The 20/20 promotional poster provides the following information to consumers as part of the main messages of the poster:

- the name of the card and the statement that the card is designed for single use;
- a statement in a visible box in the middle of the poster which states: "If you choose to use this card for more than one call, the following charges will apply" and the charges are listed below this statement;
- the rate per minute and the number of minutes available for a \$10 and \$5 card for each destination country;
- the cell rate for each destination country; and
- a customer service number and the identified regions in Canada where the card is available for purchase.

Please be advised that Bureau employees have not verified the validity or accuracy of the stated rates or calling durations. It is the responsibility of Gold Line to assure that the stated rates and calling durations are accurate and achievable for each destination as identified.

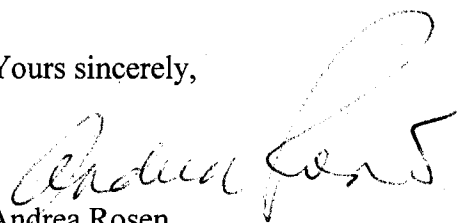
This opinion is based on current law, jurisprudence, and is predicated on the assumption that the facts, as set out in your request, are accurate, that no material facts

have been omitted or misrepresented in your submission and that our understanding of the facts is accurate. This opinion is binding so long as the facts provided are accurate, the material facts remain unchanged, the conduct or practice is carried out substantially as proposed, and the law and jurisprudence remain unchanged. Should any of these factors change, you should apply for a new opinion.

Given the level of consultation and discussions that have brought us to this successful conclusion, your client may use this written opinion and the promotional materials upon which this opinion is based as the standard to ensure that all promotional materials for all of its calling card products comply with the terms of the Consent Agreement and the *Competition Act*.

To promote compliance with, and foster transparency in the administration and enforcement of the Act, the Bureau will publish written opinions, or summaries thereof, that add to the understanding of how the law is administered or where a new issue or sector of the economy is being examined. Thus, the opinion will be published in its entirety to demonstrate your firm's voluntary compliance, and to advise the business community of the 'best practice' standard for disclosure for phone card advertising practices. If you have any further questions or require clarification of this letter, please do not hesitate to contact Doug Hamilton at (902) 426-6038.

Yours sincerely,



Andrea Rosen
Acting Deputy Commissioner
Fair Business Practices Branch

cc: Josephine Palumbo
Senior Litigation Counsel, Justice Canada

Dermot Jardine
Assistant Deputy Commissioner, Competition Bureau