



FOR IMMEDIATE RELEASE

18 December 2017

Media Statement: NR/25/2017

SPRING to Commence Legal Proceedings against SG Vehicles Group of Companies

1. SPRING Singapore, the administering agency of the Consumer Protection (Fair Trading) Act (CPFTA), will apply to the High Court on 19 December 2017 for a declaration and/or injunction¹ to be granted against automotive retailer SG Vehicles group of companies² (SG Vehicles) for engaging in unfair practices. This is the first time SPRING will take legal action under the CPFTA. SG Vehicles will have to cease the unfair practices and comply with accompanying orders if the declaration and/or injunction is granted.
2. The decision to commence legal proceedings was made after thorough investigation of complaints by consumers against SG Vehicles to the Consumers Association of Singapore (CASE). The complaints that have been lodged against SG Vehicles were related to representations of the terms and conditions of the sale agreement which could have potentially misled the complainants.
3. In December 2015, CASE placed SG Vehicles under its Company Alert list in view of the complaints received. Between 2015 and 2017, CASE sought to resolve these complaints through negotiation and mediation. However, the number of complaints lodged against the company persisted despite CASE's intervention, and a second alert was issued by CASE in June 2017. In July 2017, CASE invited SG Vehicles to sign a Voluntary Compliance Agreement³ to stop engaging in unfair practices, but the company did not sign it. The matter was then referred by CASE to SPRING for further action. Following further investigations, SPRING decided to commence legal proceedings.

¹ Under section 9 of the Consumer Protection (Fair Trading) Act, SPRING may apply to the High Court for a declaration that the practice engaged in by the supplier is an unfair practice; and apply for an injunction restraining the supplier from engaging in the unfair practice.

² SG Vehicles includes various entities such as SG Vehicles Asia Private Limited, SG Vehicles Continental Private Limited, SG Vehicles Global Private Limited and SG Vehicles Trading.

³ Voluntary Compliance Agreement (VCA) is a non-litigious alternative to an errant retailer before the retailer faces an injunction application in court. Under the CPFTA, CASE is empowered to enter into a VCA with errant retailers, following unsuccessful negotiation and/or mediation with the errant retailers. Errant retailers entering into a VCA will agree in writing to stop the unfair practice and in some cases, offer compensation to affected consumers or tourists.

4. Notwithstanding the upcoming legal proceedings, SG Vehicles must continue to honour sales agreements made with their customers. Should SG Vehicles fail to do so, consumers can contact CASE for assistance at the hotline 6100 0315 or www.case.org.sg. In addition, consumers can take civil action via the Small Claims Tribunal. Under the CPFTA, SPRING and CASE will continue to work closely to safeguard consumer interest.
5. CASE and SPRING take a very serious view regarding retailers which engage in unfair trading practices and will not hesitate to take action if needed. CASE can refer egregious retailers to SPRING for investigation. It is also important for consumers to know their rights and be alert to unfair trading practices so that they can be in a good position to make sound purchasing decisions. Please refer to **Annex A** for tips for consumers purchasing a motor vehicle.
6. Under the CPFTA, SPRING and CASE will continue to work together closely to raise awareness among consumers and businesses on fair trading practices, so as to better safeguard consumer interest.

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About SPRING Singapore

SPRING Singapore is an agency under the Ministry of Trade and Industry responsible for helping Singapore enterprises grow and building trust in Singapore products and services. As the national standards and accreditation body, SPRING develops and promotes an internationally-recognised standards and quality assurance infrastructure. SPRING also oversees the safety of general consumer goods and fair trading practices in Singapore. As the enterprise development agency, SPRING works with partners to help enterprises in financing, capability and management development, technology and innovation, and access to markets.

SPRING will merge with IE Singapore to form Enterprise Singapore in Q2 2018. Enterprise Singapore will enable the growth of Singapore companies through an integrated support network to build business capabilities and access overseas markets.

Please visit www.spring.gov.sg and www.facebook.com/sqspring for more information and news about SPRING Singapore.

About Consumers Association of Singapore

The Consumers Association of Singapore (CASE) is a non-profit, non-governmental organisation that is committed towards protecting consumers' interest through information and education, and promoting an environment of fair and ethical trading practices. One of their key achievements is in advocating for Consumer Protection (Fair Trading) Act (CPFTA), which came into effect on March 1, 2004. Please visit www.case.org.sg and www.facebook.com/casesg for more information about CASE.

CONSUMER TIPS WHEN PURCHASING A MOTOR VEHICLE

A. Select a Reputable Retailer

Do your research and make an informed decision. You are encouraged to:

- Conduct detailed research on the retailer that you wish to patronise. Look at their track records, customers' feedback and make comparisons with other retailers
- Buy from a reputable and CaseTrust-SVTA accredited motoring business. The list of accredited businesses can be found at www.casetrust.org.sg
- Check if the retailer is on CASE's watch list, visit www.case.org.sg/companyalertlist

B. Understand the Terms and Conditions of the Sales Contract

It is important to read and understand the terms and conditions of the sales contract. You are encouraged to:

- Ensure that you obtain the customer copy of the signed sales contract
- Ensure that the contract clearly indicates all agreed warranty, service packages and car accessories, delivery period, accessories and options, car make and model, colour, Certificate of Entitlement (COE), road tax and insurance
- Ensure that all verbal agreements are committed in writing
- Be aware of the payment terms and schedules. Pay attention to terms that require you to make additional payment under certain circumstances
- Always negotiate for the lowest amount of deposit to minimise your risk
- Ensure all refund arrangements are included in the contract
- Do not sign on blank forms. Signing of blank forms is akin to signing a blank cheque and it could result in fraudulent entries without consumers knowing it

C. Check the Terms and Conditions of the Certificate of Entitlement

The COE forms an integral part of the sales contract. As such, you should read and understand the terms and conditions related to the COE. You are encouraged to check for the following:

- COE in the price package listed as a conditional or unconditional guarantee
- Number of bids and bidding sequence regardless of COE condition
- COE rebate level (if any)
- Deposit requirements when bidding for COE
- Refund policy following failure to secure COE within the number of bids agreed

D. Ensure Receipts Are Obtained at Payment

Request and insist on an official receipt for all payments. Ensure that all transactions are properly accounted for

E. Confirm Trade-In Information of Used Cars

Ascertain to whom or which company your used car is being traded-in to. Ensure this trade-in information is clearly indicated in the sales contract

F. Contact Case on Unfair Trade Practices

Should you encounter any unfair trade practice, contact CASE at 6100 0315 or submit your complaint online at www.case.org.sg

CONSUMER PROTECTION (FAIR TRADING) ACT

The Consumer Protection (Fair Trading) Act (CPFTA) provides for civil actions to stop errant businesses which engage in unfair trading practices.

The Consumers Association of Singapore (CASE) and Singapore Tourism Board (STB) are the first points of contact for local consumers and tourists respectively to handle complaints. They will assist in obtaining redress and/or compensation through negotiation and/or mediation. The CPFTA empowers CASE and the STB to enter into voluntary compliance agreements (VCA) with errant businesses to stop them from engaging in unfair practices, and to compensate affected consumers. Errant retailers who persist in unfair trade practices will be referred to SPRING Singapore for investigation and follow-up actions.

SPRING is the administering agency for the CPFTA and has investigative and enforcement powers to take timely actions against recalcitrant retailers. SPRING looks into cases of errant retailers who persist in unfair trade practices. Specifically, it is able to:

- Gather evidence against persistent errant retailers;
- File timely injunction applications with the courts; and
- Enforce compliance with injunction orders issued by the courts