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Media Release

53 CONSUMERS TO RECEIVE REFUNDS UNDER SPA INDUSTRY INSURANCE SCHEME

Fifty three customers are set to be the first consumers to benefit from a spa industry insurance scheme that protects them when CaseTrust-accredited spa companies go bust.

These customers of former spa operator Body Kneads will receive nearly \$12,800 from the insurer as refunds for their pre-paid spa packages that they have not used. The spa company had ceased operation for more than 30 days since 30 June 2012.

AVA Insurance Brokers, the coordinator for the payout, will be contacting the customers from this week and the refunds range from \$0.50 to \$1412. Alternatively, the customers may submit a claim at the insurer's website at www.ava-ins.com/enquiry.php.

The Spa Protection Scheme, which is a requirement under the CaseTrust for Spa and Wellness Businesses accreditation scheme, was introduced in October 2011 by CaseTrust after consultation with the industry associations. There are currently 221 accredited spa and wellness outlets out of an estimated 1400 establishments in Singapore.

Under the scheme, businesses that collect prepayments from customers are required to have in place an insurance scheme that insures the customers' prepayment in the event of the business closure. Of the 221 outlets accredited under the accreditation scheme, more than 12,000 customers from 123 spa outlets are currently covered by the scheme.

Consumers can refer to CaseTrust website at <http://www.casetrust.org.sg/WhoisCaseTrusted/AccreditedBusinesses/tabid/64/Default.aspx> for the full list of accredited spas.

Spa operators are reminded to be responsible in ensuring the interest of their customers is protected. While the Protection Scheme acts as a safety net for consumers, operators ought to fulfil their obligations in addition to providing good service to their customers.

CASE urges spa consumers to take these steps to protect themselves:

- Check whether their spa is under the CaseTrust-accredited Spa and Wellness Businesses that have the Spa Protection Scheme
- Those who patronise CaseTrust-accredited spas should check that they are given a Certificate of Insurance reflecting the correct prepayment sum insured.
- Ask their spas to provide a proper record when they redeem their pre-paid packages.
- Check either via an online system or a customer hotline provided by the insurer periodically that the utilisation of their packages is updated to the insurer by the spas.

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CASE