



CONSUMERS ASSOCIATION OF SINGAPORE

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9 February 2021

Company Alert – MDS Collections

From 1 June 2019 to 31 December 2020, CASE has received 37 complaints against clothing and fashion accessories retailer MDS Collections¹. The majority of complaints relate to consumers failing to receive their orders. As MDS Collections did not resolve most of the complaints received by CASE, CASE had issued a warning letter to MDS Collections. Other consumers who are unable to resolve their disputes with MDS Collections may approach CASE for advice.

About MDS Collections

MDS Collections is a clothing and fashion accessories retailer which transacts with consumers via its online store², “Facebook Live” sales³, and its physical retail stores.

For the online store, consumers can purchase items at listed prices, or choose to take up a monthly subscription at \$29.90, \$49.90 or \$99.90 which entitles them to credits to redeem items and to buy items at discounted prices. The subscription auto-renews every month and has a minimum duration of three months.

For the “Facebook Live” sales, models will showcase the items for sale, and consumers can indicate interest for the items they wish to purchase. These items are usually marketed at a discounted rate. Consumers can subsequently confirm their orders with the company via private message to complete the purchase.

Complaints Received

Most complaints relate to consumers either not receiving their orders or receiving incomplete orders on the scheduled delivery dates. In some cases, consumers reported that despite waiting for more than six months after the scheduled delivery date, they still have not received their items. In addition, some consumers who were informed by MDS Collections to collect their orders at the retail outlets found the stores closed upon arrival.

Consumers also complained that they encountered issues with their subscriptions, such as not receiving any credits after signing up for the monthly subscriptions, as well as unauthorised charges. MDS Collections had continued charging them the monthly fees despite them having already terminated their

¹ The full list of business entities includes MDS Global Pte Ltd, MDS Retail Pte Ltd, MDSCollections LLP and MDSCollections.com Pte Ltd.

² Accessible at: <https://www.mdscollections.com/>

³ Accessible at: <https://www.facebook.com/MDSCollections/>

subscriptions. Some consumers complained that despite waiting for several months, MDS Collections had not issued refunds for incomplete deliveries, and for items which they have returned to the company. This is in spite of the company's refund policy stating that the maximum refund processing time is 45 days.

Based on consumer feedback to CASE, the majority of consumers who contacted MDS Collections to resolve the outstanding issues received no response or a non-committal response. MDS Collections also failed to resolve most of the complaints received by CASE to date, while still continuing with their online sales.

Consumer Protection (Fair Trading) Act

Under the Consumer Protection (Fair Trading) Act ("CPFTA"), it is an unfair practice for a supplier to make false claims that goods are available or available in particular quantities if the supplier knows or can reasonably be expected to know it is not so.

CASE will monitor MDS Collections closely, and will not hesitate to take the necessary action provided for under the CPFTA, which includes referring the matter to the Competition and Consumer Commission of Singapore ("CCCS") to take action to protect the interests of consumers. Consumers with complaints that are not resolved by MDS Collections can seek advice from CASE.

CONSUMER ADVICE FOR ONLINE SHOPPING

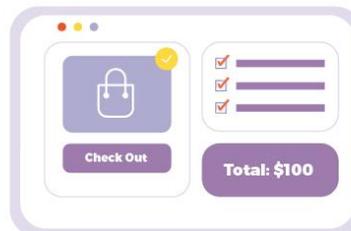
WHILE BROWSING

- ✓ Check the retailer's track record
- ✓ Shop via platforms which offer prepayment protection
- ✓ Only purchase from retailers with clear exchange and refund policies
- ✓ Take note of websites that offer memberships or subscription plans
 - Only sign up if you are satisfied with the retailer's services and products
 - Check if these plans automatically renew after their expiry dates
 - Give sufficient notice if you wish to discontinue the subscription



BEFORE CHECKING OUT

- ✓ Look out for:
 - pre-ticked boxes and de-select items you do not want
 - hidden charges
- ✓ Ensure the retailer is using a secure payment gateway
- ✓ Review your shopping cart and ensure the final amount payable is correct



AFTER PAYING

- ✓ Keep a copy of the receipt / transaction record
- ✓ For non-delivery or damaged / non-conforming goods:
 - file a chargeback request with your credit card issuing bank within 120 days of the purchase

