



CONSUMERS ASSOCIATION OF SINGAPORE

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MEDIA RELEASE

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CASE launches SAFE Checklist for pre-owned cars

The Consumers Association of Singapore (CASE) will be launching the Standard and Functional Evaluation (SAFE) Checklist for the purchase of pre-owned cars at the “Motoring & You” Roadshow on 16 March 2017. We developed the SAFE Checklist to remind consumers to equip themselves with the knowledge on the parts of the car they should check with the dealer as well as the importance of getting an independent and comprehensive evaluation for the car they intend to purchase.

The Motorcar industry has been ranked as the top industry with the highest number of complaints since 2012. The common consumer complaints received for the industry were primarily on pre-owned cars with defects. Furthermore, we observed that about 7 in 10 complaints to CASE on car defects were from consumers who did not obtain a Professional Evaluation Report¹ provided by a Professional Evaluation Centre when they bought the pre-owned car.

These disputes can be difficult to resolve due to difficulty in establishing the condition of the pre-owned car at the point of purchase. Under the Lemon Law, the onus is on the car dealer to prove that the car was not defective at the time of delivery, if any defect was found within six months of the delivery of the car.

In view of the complaints received, the SAFE Checklist was developed in consultation with multiple stakeholders in the motoring industry, such as the Singapore Vehicle Traders Association (SVTA), VICOM Ltd, STA Inspection Pte Ltd and the Automobile Association of Singapore. It guides consumers and car dealers to undertake a thorough inspection and evaluation of a pre-owned car before the purchase is made (see Annex – CASE’s Standard and Functional Evaluation Checklist).

Section A of the SAFE Checklist states the basic functional and visual checks that a car dealer would need to go through with the consumer during the inspection of the pre-owned car before the sale. This ensures that

¹ A report provided by a Professional Evaluation Centre which includes condition and function checks to ensure that the motor vehicle is performing satisfactorily.

consumers are fully aware of the condition and quality of the pre-owned car at the time of purchase as well as the existence of any inherent defects in the car declared by the car dealer upfront.

Section B of the SAFE Checklist will help consumers to better understand the minimum checks performed by a Professional Evaluation Centre. CASE strongly recommends that consumers request for the pre-owned car to be sent for inspection at a Professional Evaluation Centre before committing to the sale. This will help consumers to make a more informed choice on the condition versus the purchase price of the car.

Mr Lim Biow Chuan, President of CASE, said, “We are confident that the SAFE Checklist will equip consumers with an additional tool for making a more informed decision when planning to buy a pre-owned car and enhance the transparency of the process for consumers.”

A copy of the SAFE Checklist will be available on the CASE website (www.case.org.sg) from tomorrow.



CONSUMERS ASSOCIATION OF SINGAPORE STANDARD AND FUNCTIONAL EVALUATION CHECKLIST ("SAFE CHECKLIST")

INTRODUCTION

Buying a car is a significant financial decision regarding a complicated mechanical, electrical and electronic product. This SAFE Checklist is intended as a guide for consumers who are about to purchase a pre-owned car. Consumers purchasing a pre-owned car must understand that the quality and condition of the car will depend on its age.

STATISTICS

In 2016, CASE received 1,477 complaints (1,245 complaints in 2015) from consumers who said they purchased a defective car. The top two defects reported were defective engines and transmission or gearbox.

Based on our statistics, about 7 in 10 complaints to CASE are from consumers who did not obtain a Professional Evaluation Report when they bought the pre-owned car. CASE therefore strongly recommends that consumers send the pre-owned car for professional evaluation before committing to a purchase.

HOW TO USE THIS CHECKLIST

In consultation with multiple stakeholders, CASE has developed a Checklist to help consumers before purchasing the pre-owned car.

Consumers should ask their car dealers to complete Part A of this Checklist. Part B of the Checklist allows consumers to better understand the key parts of the Professional Evaluation Report and to allow consumers to make an informed choice on their purchase.

DISCLAIMER

The satisfactory completion of Parts A and B of the Checklist only represents the state of the car as can be ascertained or observed by a professional evaluation centre at the time of evaluation. A satisfactory report based on the Checklist does not guarantee that the car is free from defects or will not be defective thereafter. Consumers are hence advised not to place undue reliance on the report. Consequentially, CASE shall not be liable for any direct, indirect, special or incidental losses resulting from, arising out of or in connection with the use of the information contained in the Checklist or the Professional Evaluation Report.

The terms of conditions governing the evaluation service between the professional evaluation centre and the consumer can be found in the respective centre service agreement.

PART A: DEALER SECTION

Description	Details
Car Make and Model	
Registration Number	
Import Details of Car	Authorised Dealer / Parallel Importer / Self-Imported / Dealer is Unaware *(delete as applicable)
Name of Dealer	Part III of the Consumer Protection (Fair Trading) Act (Lemon Law) only applies to a consumer's purchase(s) from a <u>business</u> . Hence, if you are purchasing the car on consignment or direct from another individual/consumer, you will <u>not</u> be covered under the Lemon Law.
Projected Delivery Date	
Mileage of Pre-Owned Car	_____ km Where the car has a lower mileage with regular servicing, consumers can generally expect the car to be in better condition compared to a car with a higher mileage. Consumers may check with their dealer / party selling the car if there are any servicing records available on the car (see below).
Have you received the Service Booklet of the car (if applicable)?	Yes / No / Other Records Provided *(delete as applicable) Full Name of Service Workshop (if available): Address of Service Workshop (if available): Note: Other records could include printout from authorised dealer/workshop and/or service invoices (if available).
Minimum PARF Rebate of the Car	\$ _____ / Not Applicable / Dealer is Unaware *(delete or fill up as applicable)
Has the car ever been involved in an accident affecting the structure of the chassis?	Yes / No / Dealer is Unaware *(delete as applicable) Note: If Yes, please provide details:
Warranty For Car (if applicable)	See Annex if applicable
Car Details	
Date of Registration	
Chassis Number	
Engine Number	
Engine Type	Petrol / Diesel / Electric / CNG or Hybrid System *(delete as applicable)

Functional Checks

Unless otherwise indicated, acceptable legends are:

√ - Working / Satisfactory Condition

x - Not Working / Unsatisfactory Condition / Item Worn Out

Car Lightings	Headlights / Fog Lights	Tail Lamps	Brake Lamps
	Reverse Lamps	Directional Indicator	Hazard Lights
	Suggested Checks: Ensure that all applicable headlights and headlamps are functional.		
Air-Conditioning			
	Suggested Checks: Ensure that the air-conditioning remains cold for a prolonged period after the air-conditioning is turned on. If not, indicate unsatisfactory.		
In-Vehicle Unit (IU)			
	Suggested Checks: Ensure that the In-Vehicle Unit (IU) is able to read and detect the value of the CashCard inserted.		
Windscreen Wiper			
	Suggested Checks: Ensure that the windscreen wiper is able to function at different speeds and there are no abnormal sound.		
Side Windows			
	Suggested Checks: Ensure that the side windows are able to be wound down and up using the applicable buttons and there are no abnormal sound.		
Horn			
Visual Checks			
Bodywork			
Tyres and Rims	Tyre Profile: Tyres Diameter: 13 / 14 / 15 / 16 / 17 / 18 / 19 / ____ inch		
Other Comments			
	Note: Dealers may attach their own checklist to indicate that a particular item is defective or fill up this Part detailing possible defects.		

Both parties acknowledge that they have read and understood the terms of the Checklist and all the checks above were conducted in the presence of the consumer on:

_____ (Day) _____ (Month) _____ (Year)

DEALER'S SIGNATURE & COMPANY STAMP:

CONSUMER'S SIGNATURE:

An initiative supported by:



新加坡車業公會

Singapore Vehicle Traders Association

NAME: _____

NAME: _____

PART B: PROFESSIONAL EVALUATION CENTRE SECTION

Understanding Key Parts of Your Professional Evaluation Report

Items Checked	Description of Checks Performed
Engine	Includes visual inspection to identify oil seepage, overheating and abnormal engine noise and condition of the drive belt <i>Note: A Professional Evaluation Centre may not perform checks on the following engine types: Electric, LPG, CNG or Hybrid system engine.</i>
Engine Mounting	Includes checks to identify abnormal vibrations resulting from the defective engine mounting
Fluid Level	Includes various dipstick and/or visual checks (where possible) to ensure that there is sufficient engine oil, power steering fluid, transmission oil, brake fluid, cooling system coolant level, clutch fluid and a visual inspection for potential contamination of the fluids
Transmission Box	Includes road tests and checks to identify abnormal noises during engine operation, including the gear transmissions
Chassis Frame	Includes visual inspection to identify possible cracks or damage to chassis, welding and corrosion of the chassis (if any) <i>Note: Presence of cracks, damages and welding are possible indications that the car was previously involved in an accident</i>
Bodyworks	Visual checks for scratches, dents, and sign of touch-up of bodyworks
Suspension System	Inspection of the shock absorbers for seepage and defective component and observing the performance of the suspension and the condition of the suspension linkages
Air-Conditioning	Measurement of temperature of cooled air for a specified period
Cooling System	Checking of the engine temperature, check cooling fans, hoses and radiator cap of the cooling system for leakage to ensure that the cooling system is operating within the normal operating parameters as indicated in the car instrument panel
Electrical System	Includes checks on the working electrical system to ensure that all lights, air conditioning, battery (using battery tester) and alternator are working
Brakes and Alignment	Inspection of brake rotor and brake pad, measurement of brake efficiency using roller brake tester. Alignment test conducted on side slip tester to check for misalignment of wheel(s)
Rims and Wheels	Visual inspection for damaged, uneven wear and missing nuts on rims and depth of all the tyres threads
Road Testing	Observation for engine misfiring, proper gear transmission, steering wobble, vehicle swerving and abnormal noises (including wheel bearing or wind noise)
Visual Inspections	Includes visual inspection of body works, accessories (if any), tinted film, spoiler, additional lamps for compliance with the relevant Land Transport Authority regulations

Important Notice

A VICOM FIT Evaluation, STA Evaluation and AAS Car Evaluation Service Check consist of the minimum checks set out above.

Part B of this Checklist helps you understand the result of the checks performed by these centres. Inspection checks at these centres consist of condition checks, function checks, a road test and may consist of compliance checks stipulated by the Land Transport Authority. Where possible, consumers are encouraged to test drive the pre-owned car before committing to a purchase as defects may sometimes surface during the test drive.

The use of the words “include”, “includes” or “including” (set out in the description table) followed by one or more examples is intended to be illustrative and shall not be construed restrictively to limit the scope or extent of the description or term in respect of which the examples are provided.

Consumers who have further queries on the results of their Professional Evaluation Report should contact the relevant centre.

Professional Evaluation Centres



VICOM FIT EVALUATION

**VICOM Inspection
Centre (Kaki Bukit)**
23 Kaki Bukit Ave 4
Singapore 415933
Tel: (65) 6458 4555

**VICOM Inspection
Centre (Bukit Batok)**
511 Bukit Batok St 23
Singapore 659545
Tel: (65) 6458 4555

Online Booking:

www.vicom.com.sg/carevaluation.htm



STA EVALUATION

**STA Evaluation
Centre (Sin Ming)**
302 Sin Ming Road
Singapore 575627
Tel : (65) 6453 0200

**STA Evaluation
Centre (Kaki Bukit)**
13 Kaki Bukit Road 4,
#01-02 Bartley Biz Centre
Singapore 417807
Tel : (65) 6384 0606

Online Booking (Sin Ming only):

www.stai.com.sg/service2.php



AUTOMOBILE ASSOCIATION
OF SINGAPORE

AA CAR EVALUATION SERVICE

Automobile Association of Singapore
10 Kallang Way
Singapore 349215
Tel: (65) 6389 4270 / 6333 8811
www.aas.com.sg/evaluation

BRIEF GUIDE ON THE LEMON LAW

Under the Lemon Law, any defects discovered within six months from the date of delivery of the car is presumed to have been present at the time the car was delivered.

In the context of a pre-owned car, the Singapore High Court decided in *Speedo Motoring Pte Ltd v Ong Gek Sing*¹ that:

- a) The seller may subsequently be able to rebut the presumption if there is direct evidence of some other causal factor that has resulted in the defect or if the seller is able to establish that the nature of the lack of conformity is incompatible with the application of the presumption (such as wear and tear); and
- b) the seller may adduce clear objective evidence to establish that the car did in fact conform to the applicable contract at the time of delivery, such as where the car had undergone an independent valuation and inspection by a competent third party.

Consumers should note that the issue of wear and tear will vary across different components of a pre-owned car.

FREQUENTLY ASKED QUESTIONS (FAQS)

1. What happens in the event that the dealer's checklist (for instance, Part A or any other dealer checklist) is inconsistent with the Professional Evaluation Report?

In cases where Part A of the Checklist does not indicate that a part is defective but an abnormality is subsequently detected in the Professional Evaluation Report (i.e. as described in Part B of the Checklist), the results of an independent third-party professional evaluator should take precedence over Part A of the Checklist. Consumers should bear in mind that the purpose of Part A of the Checklist (or any dealer's checklist) is for the dealer to disclose inherent defects in the car to the consumer at the point of purchase.

2. Should dealers send a pre-owned car for evaluation?

Dealers are encouraged to have the pre-owned car evaluated by an independent third party as this may help reveal any potential defects in the car. Dealers can protect themselves in the event that a component that was examined and found to be in good condition but subsequently turns out to be damaged after the purchase.

¹ *Speedo Motoring Pte Ltd v Ong Gek Sing* [2014] SGHC 71.

3. What to do in the event that the pre-owned car is defective?

(I) Before purchase of the pre-owned car

Under the Lemon Law, consumers will not be able to make a claim against the car dealer for any defects disclosed/identified prior to the purchase (i.e. defects disclosed / uncovered in Part A and B of the Checklist read with the Professional Evaluation Report). In such instances, consumers may still decide to proceed with the purchase of the pre-owned car.

Alternatively, consumers may negotiate for the car dealer to repair the defects disclosed or uncovered during inspection. Consumers may request for the pre-owned car to be sent for a subsequent inspection to ensure that the defects previously uncovered were repaired. Any subsequent inherent defects arising from your purchase will continue to be covered under the Lemon Law.

(II) After purchase of the pre-owned car

If the defect is covered within the scope of checks in Part B of the Checklist and the Professional Evaluation Report did not reveal any abnormalities, the burden is on the consumer to prove that the defect was present at the point of delivery. However, the defect will be presumed to be present at the point of delivery, if the defect was not covered within the scope of checks (i.e. a hybrid system engine) and the item becomes defective within the first 6 months of delivery.

(III) Pre-owned car is proved or agreed by parties to be defective

The car dealer is required to repair the pre-owned car sold within a reasonable time, without causing significant inconvenience to the consumer. The requirement that the repair be done within a reasonable time, without causing significance inconvenience will however depend on the specific type of defect.

In the event that the pre-owned car is defective at the point of delivery, consumers should first provide the car dealer with an opportunity to repair the pre-owned car as stipulated under the Lemon Law. Any necessary costs required to repair the pre-owned car must then be borne by the car dealer.

Consumers are only able to request for other remedies (i.e. cash refund, reduction in price) if the car dealer fails to repair the pre-owned car within the requirements stipulated under the Lemon Law. Consumers may approach CASE for assistance

Produced by the Consumers Association of Singapore (CASE)

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ANNEX

Warranty Coverage						
Please tick as applicable or cancel this Part if not applicable						
Is the pre-owned car covered under warranty?	Yes, dealer is offering a warranty and the name of the workshop that will rectify the defects (if any) is: _____					
Items Covered Under Warranty <small>*(tick / fill in as applicable)</small>	<u>Parts</u>	√	<u>Parts</u>	√	<u>Parts</u>	√
	Headlamps		Tail Lamp		Reverse Lamp	
	Brake Lamp		Directional Indicator Lamps		License Plate Lamp	
	Wiper Auxiliary Belt		Malfunction Indicator Lamp		Exhaust System	
	Drive Shaft & Cover		Brake Linkage		Power Steering Unit	
	Steering Linkages		Power Window		Brake Rotor	
	Brake Line		Brake Linkage		Auxiliary Belt (Fan)	
	Engine / Engine Mounting		Cooling System		Air-Con Compressor	
	Battery		Shock Absorbers		Alternator	
	Suspension Linkages					
	Additional Parts Coverage					
	1.		6.			
	2.		7.			
	3.		8.			
	4.		9.			
	5.		10.			
Start Date of Warranty	_____ Day _____ Month _____ Year					
Length of Warranty	_____ Months					