

# CONSUMERS ASSOCIATION OF SINGAPORE

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### **MEDIA RELEASE**

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#### **For Immediate Release**

**17 November 2021** 

# <u>CASE signs VCA with Paul Immigrations to stop misleading consumers on the success rate of its PR application services</u>

The Consumers Association of Singapore ("CASE") has signed a Voluntary Compliance Agreement ("VCA") with Paul Immigrations Pte Ltd ("Paul Immigrations") to stop misleading consumers on the success rate of its Singapore Permanent Resident ("PR") application services.

Under the VCA signed on 7 September 2021, Paul Immigrations has also committed to cease exerting undue pressure on consumers to purchase its services and to offer a five-day cooling off period for consumers who wish to cancel their contracts.

#### **About Paul Immigration**

Paul Immigrations specialises in the application of Singapore PR. Its PR application services, which are sold to consumers in a package, include advising on the PR application process, preparing the necessary documents and crafting personalised cover letters for applicants.

#### **Complaints Received**

From 1 January 2020 to 30 September 2021, CASE received 58 complaints against Paul Immigrations. In general, consumers reported that the company had misled them on the success rate of their PR applications, including giving guarantees that their PR applications would be approved.

In addition, consumers complained that the company's consultants had applied pressure during the sales, such as repeatedly pressuring them to sign up for the packages with offers of discounts and instalment payment, despite the consumers rejecting the offers or requesting for more time to consider the offers.

Under the Consumer Protection (Fair Trading) Act ("CPFTA"), it is an unfair practice for a supplier to make false or misleading claims, and to exert undue pressure or influence on a consumer to enter into a transaction.

#### **VCA with Paul Immigrations**

In response to consumer complaints, CASE exercised its powers under the CPFTA and invited Paul Immigrations to enter into a VCA to stop its unfair practices and compensate affected consumers.

Under the terms of the VCA, Paul Immigrations has committed to:

- i) Not make any claims or guarantees regarding the success rate of its Singapore PR application services;
- ii) Remove all misleading claims from its website and marketing materials;
- iii) Not make any claims or references to their knowledge of information and processes related to the Immigration & Checkpoints Authority ("ICA");

- iv) Not make any claims or references that its employees are currently or have been previously employed by the ICA; and
- v) Offer a five-day cooling off period for consumers to cancel their contracts and provide a refund within 30 days after a consumer sends a written notice of cancellation to Paul Immigrations

CASE is monitoring Paul Immigrations closely and will not hesitate to refer the company to the Competition and Consumer Commission of Singapore ("CCCS") for investigation under the CPFTA if the unfair practices continue. Consumers who have evidence of Paul Immigrations breaching the terms of the VCA are encouraged to contact CASE (hotline: 9795 8397, website: www.case.org.sg).

#### **Consumer Tips**

Consumers who plan to engage the services of immigration consultancy firms are advised to take note of the following:

- Immigration consultancy firms are neither regulated nor approved by the ICA. As such, consumers who engage the services of such firms do so at their own risk.
- Be wary of companies which guarantee or make unrealistic claims on the success rate of its PR application services.
- Say "no" and walk away if you encounter aggressive pressure sale tactics which make you
  uncomfortable. Be polite but firm when stating your refusal. You can call the police if you are
  barred from leaving. If you start to feel overwhelmed, uneasy or intimidated during the sales
  pitch, request to stop the session and leave the premises. Refrain from making any financial
  commitments.

Melvin Yong President Consumers Association of Singapore

#### **About the Consumers Association of Singapore:**

The Consumers Association of Singapore (CASE) is an independent, non-profit organisation that is committed towards protecting consumers' interest through information and education, and promoting an environment of fair and ethical trade practices. One of its key achievements is in advocating for the Consumer Protection (Fair Trading) Act (CPFTA) which came into effect on 1 March 2004.

For more information, please visit the CASE website at http://www.case.org.sg or follow us on:

Facebook: <a href="https://www.facebook.com/casesg">www.facebook.com/casesg</a>
Twitter: <a href="https://www.twitter.com/casesg">www.twitter.com/casesg</a>

#### **Frequently Asked Questions**

#### 1. What is CASE's role under the CPFTA?

CASE is the first point of contact for consumers to obtain redress through negotiation and/or mediation for their complaints against businesses.

Under the CPFTA, CASE is empowered to invite errant suppliers to enter into a VCA, where they will agree in writing to stop the unfair trade practices and compensate affected consumers. CASE will refer errant suppliers who persist in unfair trade practices to the CCCS for investigation.

#### 2. What is CCCS's role under the CPFTA?

CCCS is the administering agency for the CPFTA and has investigative and enforcement powers to take actions against recalcitrant suppliers who persist in unfair trade practices. Specifically, it is able to:

- Gather evidence against errant suppliers;
- File injunction applications with the courts; and
- Enforce compliance with injunction orders issued by the courts.

#### 3. What is the difference between a VCA and an injunction?

A VCA is a written agreement between CASE and an errant supplier, whereby the errant supplier agrees to cease its unfair practices and compensate affected consumers.

An injunction is a court order requiring a person or entity to do or cease to do a specific action. Under the CPFTA, the courts may grant an injunction order restraining a retailer (business or individual) from engaging in a specified unfair practice.

#### 4. What if a company breaches the terms of the VCA?

CASE will refer errant suppliers which breach the terms of the VCA to CCCS for investigation.

## 5. What happens if a company refuses to comply with an injunction order?

If the company does not comply with the injunction order, CCCS can take the company to court for contempt of court. This is a criminal offence which can result in a fine or imprisonment, or both.