

A man in a grey shirt and dark jacket is shown in profile, focused on using a power tool on a car wheel. The background is a blurred car. A large blue diagonal graphic element is overlaid on the right side of the image.

# The Consumer

A PUBLICATION OF THE  
CONSUMERS ASSOCIATION  
OF SINGAPORE

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# President's Message



## Dear readers,

In 2016, CASE received a total of 19,102 consumer complaints. Although this was a slight decrease as compared to 2015, we are well aware that much work still needs to be done as we strive towards a consumer-friendly Singapore. This year, CASE will continue to work hard on consumer education and to promote fair trading practices within the country.

Ever since the introduction of the Lemon Law in 2012, the motorcar industry had topped CASE's industry complaint listing for five consecutive years. Out of the total number of motorcar complaints, about two-third were against sellers of pre-owned motor vehicles.

In our efforts to improve the situation, CASE worked with four industry partners: Singapore Vehicle Traders Association (SVTA), Automobile Association of Singapore (AAS), STA Inspection Pte Ltd (STAI) and VICOM Ltd (VICOM), to develop a checklist that provides consumers with added assurance in their purchases of pre-owned motor vehicles. The checklist aims to guide both consumers and dealers through a thorough inspection and professional evaluation of the vehicle before purchase. Not only will it provide a clearer picture of the condition of the car versus the selling price, it also acts as a supporting evidence for the condition of the motor vehicle at the time of purchase. This would help to minimise subsequent disputes between the consumer and dealer should there be a defect discovered after purchase.

The checklist will be officially launched on our World Consumer Rights Day celebration at the Chevron House on 16 and 17 March this year. After the launch, we hope that more car dealers, especially members of SVTA, will be the first to adopt the checklist for their sales of pre-owned motor vehicles. More details of the checklist are also shared in the article titled "Dealing with Traps in a Car Purchase" in this issue.

We are also pleased to greet the year with a fresh look of 'The Consumer' magazine. The Editorial team gave the publication an attractive revamp. New columns are being added; "CASE Play!" features educational quizzes and contests for readers to attempt at their leisure, and "In a Nutshell" summarises key consumer information into short pointers for quick-read.

With the improvements, we hope that you will find reading 'The Consumer' more enjoyable and engaging.

**Lim Biow Chuan**  
**CASE President**

# Buying A Motor Insurance Policy?

## Here's What To Look Out For

**Cars come in different makes and models to suit buyers with different needs and preferences. Before you bought your car, you probably made your decision after spending time and effort to compare different cars, read reviews, ask questions and do your sums.**

**Like cars, motor insurance policies come with different benefits and premiums. To protect you and your family, you should make an informed decision on which motor insurance is most suitable for you. If the premiums are lower, there may be more restrictions on what is covered or your options in the event of a claim. Here are four things to look out for:**

### 1. WHAT DOES THE POLICY COVER?

The three main types of cover are (a) comprehensive, (b) third party, fire & theft and (c) third party only. A comprehensive policy provides the most protection and costs more.

### 2. WHO IS DRIVING YOUR CAR?

Some policies offer lower premiums by allowing the car to be driven only by specified drivers. If a driver is not listed in the certificate of insurance, he is not allowed to drive the car. Different excess may apply to different drivers.

### 3. WHAT WILL THE CAR BE USED FOR?

Most policies provide insurance cover for social, domestic and pleasure purposes. If the car is used for other purposes such as carriage of goods or passengers for payment, you will need to declare these to your insurer and confirm its acceptance.

### 4. WHO REPAIRS YOUR CAR?

Some policies may offer lower premiums by limiting the choice of repairers or allowing the use of reconditioned parts. If you prefer the flexibility of choosing your motor workshop, ask your insurer for a plan that allows this.



## Car Insurance

number

Type

er.

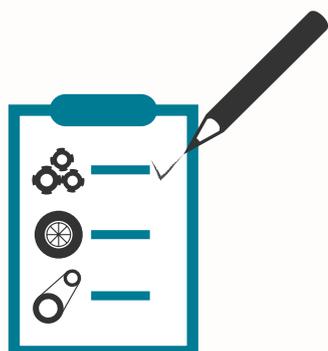
Date

Car insurance

Other parties

phone number

Name Car - Motel



## MOTOR CLAIMS FRAMEWORK: THERE TO HELP YOU

Even if you are a safe driver, life can be unpredictable and accidents may happen. It is normal for people to feel anxious, confused or traumatised when they get into an accident. The Motor Claims Framework (MCF) helps you by providing clear and common procedures for the reporting of motor accidents.

Supported by all motor insurers in Singapore, the MCF walks you through the recommended steps that you need to take in the event of an accident. Follow them and you will find the claims process a smoother one.

First, check that everyone is safe. If anyone is injured, call an ambulance. After the safety check, here's what you need to do:



### KEY POINTS OF THE MOTOR CLAIMS FRAMEWORK (MCF)



**IN CASE OF ACCIDENT, YOU SHOULD...  
AVOID ALL UNAUTHORISED TOW-TRUCK OPERATORS OR REPAIR WORKSHOPS.**

**1**

Exchange particulars of involved parties including

- Name,
- NRIC / FIN,
- Telephone Number,
- Address and
- Insurer.

Take note of the **vehicle numbers**.

Take pictures at the **accident scene** and submit all pictures at your authorised accident reporting centre during your reporting.

**WHAT TO PHOTOGRAPH:**

**SCENE**

Take pictures of the accident scene capturing the accident vehicles and surrounding areas.

**OWN VEHICLE**

Take pictures of the damages to your own vehicle capturing your license plate.

**OTHER DAMAGED VEHICLE(S)**

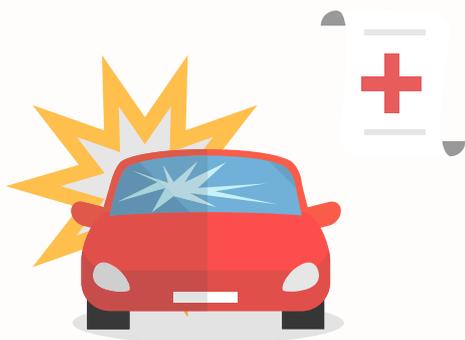
Take pictures of the damages to all other vehicles involved in the accident capturing licence plates. For multiple vehicle collision, take pictures of those with direct contact, e.g. immediate front and immediate rear vehicles.

**2**

Call your insurer's **hotline** for a tow truck or for further advice on the accident.

**3**

Report and bring your accident vehicle (whether damaged or not) to the approved reporting centre / authorised workshop within **24 hours** or by the **next working day**.



In addition, you will need to make a police report if your accident involves (1) fatality or serious injury, (2) a pedestrian or cyclist, (3) a foreign vehicle, (4) damage to government property or (5) hit-and-run.

By reporting the accident within 24 hours or by the next working day, you not only enjoy easy and quality repair services as provided under the MCF, but also avoid potentially higher costs from exaggerated claims.

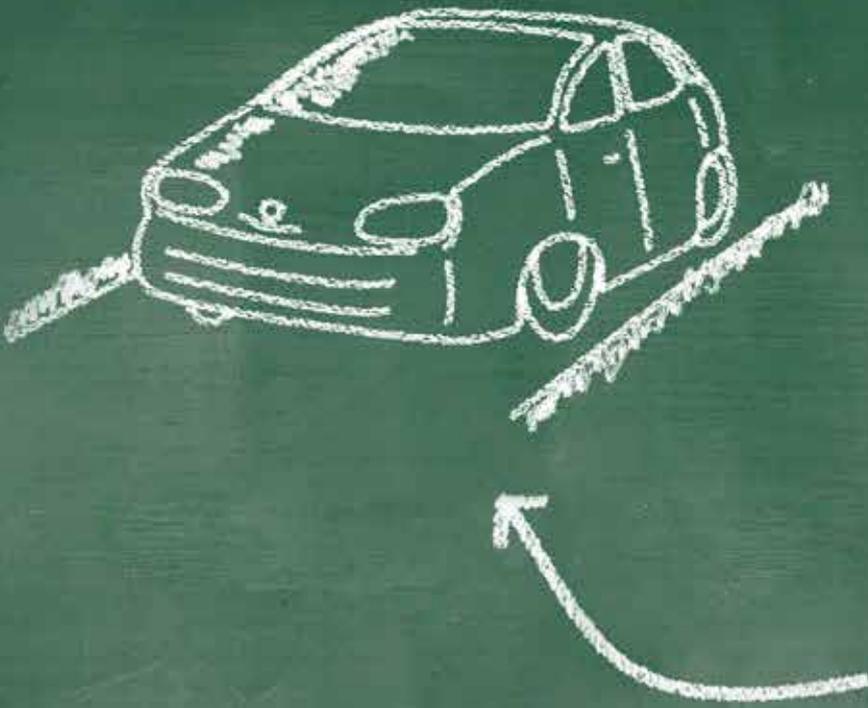
This framework has worked well in streamlining the whole motor claims process in Singapore and will continue to give motorists certainty, comfort and peace of mind.

To learn more, please visit [www.gia.org.sg](http://www.gia.org.sg).

## CLAIMING COMPENSATION IN AN ACCIDENT

The Motor Vehicles (Third-Party Risks and Compensation) Act requires all motor vehicles used on public roads to be insured against liability for death or bodily injury caused to others arising out of the use of the motor vehicle. If you are a passenger in a private-hire car that is involved in a motor accident, you can claim compensation from the car owner or the insurer.





# Basics of Taking A Car Loan

Owning a car can be a “high maintenance” relationship, and will usually be more expensive than taking public transport. Other than paying for the car itself, you need to consider ongoing costs such as fuel expenses, Electronic Road Pricing (ERP), road tax, servicing and repair costs, car park charges as well as motor insurance premiums.

## BORROWING TO PAY FOR THE CAR

Most of us may not have enough cash to pay for a car without borrowing money. If you intend to take out a loan to buy a car, it is a good idea to work out how much you can afford to borrow first and how much you can pay for the monthly repayments.

Here are some issues you may want to consider before taking up a car financing package:

### **A** ADVERTISED AND EFFECTIVE INTEREST RATES

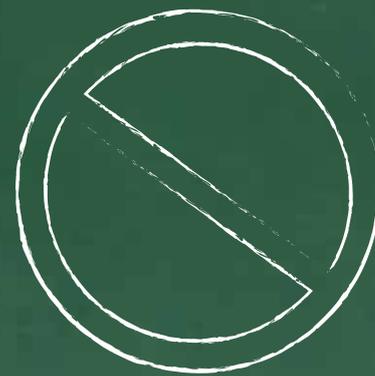
You will come across the terms advertised and effective interest rates, and should learn about the difference.

The effective interest rate is the actual interest rate you pay. It may be higher than the advertised interest rate due to the way interest is calculated. For example, in a flat rate package, interest is calculated upfront and added on to the loan amount. In this case, the effective interest rate is higher than the advertised rate because the same rate (the advertised rate) is applied throughout the loan period on the entire loan amount even though the outstanding loan amount is being reduced by monthly repayments.

The higher the effective interest rate, the more interest you will be paying. You should ask your lender for the effective interest rate. If you are offered different packages with different interest rates, loan periods and repayment methods, compare the effective interest rate for each package.

You should also consider other factors in addition to the effective interest rate when deciding which loan package works for you. For instance, you may decide on a package with a higher effective interest rate if you intend to pay it off quickly and are able to do this without incurring an early repayment penalty.





**B FEES AND CHARGES**

Here are some common fees and charges when borrowing. There may be others, depending on the actual loan package.

Fees and charges	For
Processing fee	For processing the loan application (usually charged upfront upon approval)
Amendment fee	For changes to the original loan application
Cancellation fee	For not taking up or drawing down on the loan after accepting it
Late payment charges	For not repaying the amount due by the payment due date
Default charges	For failing to make payment
Prepayment fee	For repaying part of or the whole loan amount earlier than originally agreed.

**C UNDERSTANDING YOUR FINANCING AGREEMENT**

Do read all the forms and documents you are given, especially those you have to sign. If you have questions, you should clarify them with your lender before signing. In addition, if you are required to acknowledge that you have read something which you have not been given, make sure to ask for it and read it first before signing. You should not sign on any document if you are unclear on something or need more time to think over what is being offered to you.

Once you sign the documents, it is assumed that you have understood all the terms and conditions and will be contractually bound.

**CAR FINANCING RESTRICTIONS**

Do also take note of the maximum loan to value (LTV) ratio amount and loan tenure allowed for car loans set out in the table below. These restrictions are in place regardless of whether the financing is granted by a financial institution regulated by the Monetary Authority of Singapore, a moneylender licensed by the Ministry of Law, or any other lender which extends financing on a hire-purchase basis.

Open Market Value of car	≤ \$20,000	> \$20,000
Maximum loan-to-value (LTV)*	70%	60%
Maximum financing tenure	7 years	

\* The maximum LTV ratio is expressed as a percentage of the purchase price of the car. The purchase price includes relevant taxes and price of the Certificate of Entitlement. Any discount, rebate or benefit offered by the seller of the car or any other person has to be deducted from the purchase price before the relevant maximum financing ratio is applied.





# What You Need to Know About Sponsored Social Media Posts

Have you ever come across a social media post that seemed like an advertisement? Such posts are not uncommon as companies often work with influential bloggers and websites to promote their products and services. The promotion may take subtle forms, such as a review or a product placement in an article or video, that are also entertaining and informative.

In August 2016, the Advertising Standards Authority of Singapore (ASAS) issued the Guidelines on Interactive Marketing Communication & Social Media. They form part of the Singapore Code of Advertising Practice (SCAP) and set the ethical standards for advertising and marketing communication that appear on social media.

Be a smart and discerning consumer.

Here are six things you need to know about sponsored social media posts:



## 1 WHAT ARE BLOGGERS AND WEBSITES REQUIRED TO DO?

Declare sponsored content clearly

If a blogger or website is paid in cash or in kind (i.e.: goods or services) by another company to create a sponsored post on social media, they are required to state this clearly.

## 2 WHY SHOULD BLOGGERS AND WEBSITES DISCLOSE SPONSORSHIPS?

To maintain ethical commercial practices

The commercial nature of a sponsored post needs to be disclosed so that readers like you can make up your mind about the information before you. This is necessary even if the post is also informative, educational and entertaining.

### 3 HOW CAN I TELL WHETHER I AM LOOKING AT A SPONSORED POST?

#### Look out for disclosures

These are some of the ways that websites and bloggers can disclose sponsorships prominently in their posts:

- There is a 'sponsored' label in the blog post.
- The video contains a visual statement stating that it is sponsored.
- The 'tweet' contains a 'hashtag' such as '#ad' or '#sp'.
- The writer states that he/she was invited to the event.

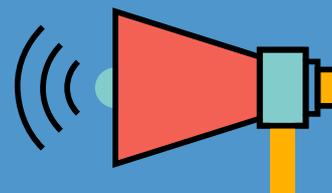
To identify sponsored posts, look out for these disclosures.

### 4 WHAT ARE SOME UNACCEPTABLE KINDS OF DISCLOSURE?

#### Not being upfront with the disclosure

There may be bloggers out there who try to disclose in discreet ways, such as:

- Hiding the disclosure behind a 'Read more' link.
- Making the disclosure difficult to read by making it small or using a text colour that does not stand out.
- 'Tagging' the name of the company only.



### 5 HOW DO I KNOW WHETHER I AM LOOKING AT AN UNDISCLOSED SPONSORED POST?

#### Look out for changes in style

- Have other bloggers and websites created posts about the same company around the same time and disclosed that they are sponsored?
- Is the post done in the blogger's or website's usual style? They may change their style in order to get a higher ranking in Google search results, or follow what was written in the press kit that the company gives them.
- Does the blogger or website seem to feature this company repeatedly? This may be indicative of a long-term partnership with the company.
- Does the blogger or website say whether they paid for the product or service which was featured in the content? A few bloggers may choose to do this in order to be transparent.
- If you click on a hyperlink from the post to a web store, does the web address have an alphanumeric code at the end? This usually indicates an affiliate link, where the blogger or website earns a commission for every purchase made using the link.

### 6 WHAT CAN I DO IF I SUSPECT THAT I HAVE ENCOUNTERED AN UNDISCLOSED SPONSORED POST?

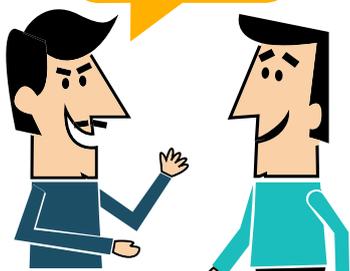
#### Contact ASAS!

You could brush it off and ignore it, but it does not help improve blogging standards.

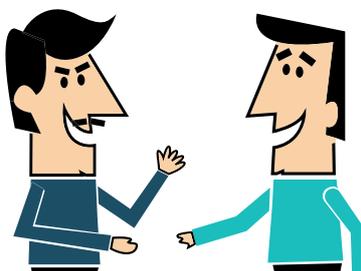
Write to ASAS and ASAS will inform the website to amend the post. Lodge your feedback at [www.asas.org.sg/onlinecomplaint](http://www.asas.org.sg/onlinecomplaint) with details, including a link to the post.

Read up about the Guidelines on Interactive Marketing Communication & Social Media on <https://asas.org.sg/socialmedia>.

Your entire meal is on me today if you could write something good about my restaurant on your blog. Don't tell anyone I told you this!

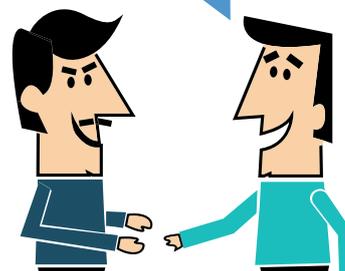


But why? You get a free meal in return.



I am afraid I can't do that for you.

If a website has been paid to create a post, it must disclose this so that readers can make an informed opinion about the post.



# Dealing with Traps in a Car Purchase



## THE 'BIRTH' OF LEMON LAW

In a 1970 academic paper titled 'The Market for Lemons: Quality Uncertainty and the Market Mechanism', George Akerlof, an economist postulated that the quality of goods will degrade in the lack of information between buyers and sellers, which could reasonably result in defective goods (also termed a lemon<sup>1</sup>) being sold.

Akerlof's theory was that buyers would not be able to distinguish between a lemon and a properly functioning product. Hence, in the pre-owned motor vehicle market, a buyer would not pay the "actual price" of a functioning pre-owned motor vehicle (referred to as a "peach") and would only be willing to pay the average of a lemon and a peach.



Sellers, unlike buyers, would have first-hand knowledge on whether they are selling a lemon or a peach and would price their lemon/peach accordingly. Hence, based on Akerlof's thesis, it follows that only lemon sellers would sell their motor vehicles to consumers. Peach sellers would not sell their motor vehicles to consumers because none would be willing to pay the full price of the peach.

As a result, Akerlof thought that such uninformed buyer decisions would create an adverse selection problem which would push

peaches out of the pre-owned motor vehicle market.

Five years after Akerlof's paper was published, the United States of America enacted its federal Lemon Law (Magnuson-Moss Warranty Act) to protect citizens in all states. In essence, the federal Lemon Law (and other Lemon Laws around the world) functions as a guarantee (to a buyer) that the pre-owned motor vehicle sold is not a lemon and allows buyers to purchase goods, both brand new and pre-owned in confidence.

<sup>1</sup> an American slang term for a defective car

## LEMON LAW IN SINGAPORE

On 1 September 2012, after years of lobbying by CASE, the Ministry of Trade and Industry legislated Part III of the Consumer Protection (Fair Trading) Act, Revised 2016 (hereinafter referred to as Lemon Law).

This came following the formation of the Lemon Law Task Force in September 2008, which was co-chaired by both MTI and CASE to look into the matter. CASE lobbied for Lemon Law primarily as a result of the increasing number of consumers' complaints

against defective electronics. Notwithstanding, Lemon Law covers both brand new items and pre-owned products purchased, is industry agonistic and covers a transaction between a transferor (i.e. retailer) and a transferee, who deals as a consumer.

How do consumers benefit from the Lemon Law?

# 2-stage recourse framework

**1** Consumer can ask business to:

**Repair or Replace the defective good.**



**2** Consumer may keep the defective good and request for a **Reduction in Price**, or return the defective good for a **Refund** if:

- The business did not provide repair or replacement within a reasonable time or without significant inconvenience to the consumer, OR
- Repair or replacement by the business is not possible or will incur a very high cost.

## Timeframe

If a defect is found within six months of delivery, it is assumed the defect existed at the time of delivery, unless the business can prove otherwise.



## LEMON LAW AROUND THE WORLD (RE: MOTOR VEHICLES)

In other jurisdictions, the legislatures have enacted some form of guarantee when consumers purchase a motor vehicle. However, such laws differ in terms of their extent of coverage and the remedies available to consumers. Notwithstanding such difference, the need for Lemon Law to serve as a guarantee to a buyer remains.

For instance, in Germany, there is a compulsory one-year warranty for all motor vehicles sold (i.e. brand new or pre-owned) and the dealer is responsible for any defects determined, usually by a third party appraisal paid for by the buyer<sup>2</sup>. In Philippines, however, Lemon Law only covers a brand new motor vehicle.

In California, there is a presumption that the vehicle is a "lemon" if the vehicle is within 18 months of delivery or if the vehicle's odometer is still within 18,000 miles, whichever comes first. This means, a motor vehicle that exceeds 18 months or has been driven in excess of

18,000 miles will not be covered. This contrasts with Philippines' Lemon Law where only brand new motor vehicles within twelve months from date of original delivery or up to 20,000 kilometers of operations, whichever comes first is covered.



<sup>2</sup> Bürgerliches Gesetzbuch para 434ss (German Lemon Law)

## CASE AND THE LEMON LAW



For the years that CASE had actively promoted Lemon Law, there was a corresponding increase in the number of consumer complaints on both an absolute and relative basis (when compared to the number of complaints registered by consumers).

Based on 2015 statistics, the motor vehicle industry receives the highest number of consumers' complaints on allegations of breach of Lemon Law. Out of which, for every complaint of a defective motor vehicle made

against a brand-new motor vehicle, CASE received two complaints against pre-owned motor vehicle.

CASE recognises that this high number of consumer complaints against motor vehicles may not be indicative that the motor vehicle industry as a whole is selling more defects. On a percentage basis, the motor vehicle industry did not have the highest percentage of consumers' complaints of defective goods

when compared to other industries. CASE recognises that such statistics are influenced by the number of the pre-owned motor vehicle traded in a year and consumers' complaints can be influenced by their expectations of a pre-owned motor vehicle. In addition, during mediation at CASE Mediation Centre, some of the recurring themes were disputes between sellers and buyers over whether the fault was an inherent defect or recent, and the quantification of the repair cost.

## PRE-OWNED MOTOR VEHICLE CHECKLIST

As a result, in 2015, CASE commissioned a Motoring Taskforce consisting of CASE's Education Committee and Consumer Law Review Committee to look into this issue. The aims of the Motoring Taskforce were as follows:-



### AIMS

**A**

To review current industry practices on how pre-owned motor vehicles are sold by consumers to car dealers and sold by car dealers to consumers;

**B**

To propose and review possible collaborations / initiatives with industry players, associations and government bodies concerning the sale and purchase of pre-owned motor vehicles;

**C**

To explore educational campaigns / collaterals to educate consumers when purchasing pre-owned motor vehicles



### INDUSTRY PRACTICE

After a series of meetings, the Motoring Taskforce recognised the need to work with the industry players operating within the pre-owned motor vehicle industry to develop an industry inspection certification / checklist for pre-owned motor vehicles (Checklist) to document the status of pre-owned motor vehicle and to encourage consumers to send their pre-owned motor vehicle for third party inspection, before committing to a purchase.

Based on available statistics, nine out of 10 consumers who complained of an alleged defect to CASE did not have their pre-owned motor vehicle inspected by a subject matter expert (i.e. an authorised inspection Centre). With the push to get consumers to perform a pre-purchase inspection, CASE aims to reduce the number of complaints from this group of consumers.

### COLLABORATION WITH INDUSTRY PLAYERS

After meeting with the major authorised inspection centers to better understand the efficacy of such inspection centers in identifying defects, CASE was able to match the defects complained by consumers and the evaluation test performed by such authorised inspection centers to ensure that the tests performed are sufficiently comprehensive.

Still, the Checklist is not intended to be a magic bullet.

Consumers should carefully read the Checklist to understand the coverage of the tests (i.e. what is included as part of the checks and what is excluded) performed by the various inspection centers. This was an area that the Motoring Taskforce felt was lacking in the industry and could be better addressed in the Checklist.

As such, the Checklist signals to the consumers which inspection centers perform the basic level of checks. Based on consumers' complaints, these are some of the most common defects complained by consumers and consumers should look to such inspection centers when deciding which inspection centers to send their motor vehicles. In addition, various inspection centers may also offer additional checks which consumers may decide to take up. Nevertheless, it is imperative to note that the checks can only represent the status of the motor vehicle at the time of inspection. The Checklist is not intended to guarantee that the pre-owned motor vehicle is free of defects.

In line with the general theory of information asymmetry, this Checklist was launched to provide better clarity on the status of the pre-owned motor vehicle. The Checklist recognises that pre-owned motor vehicles dealers may not be in the position to warrant that the pre-owned motor vehicle is defect free, but educates the consumer on the importance of obtaining a Professional Evaluation Report from an authorised testing center.

Second, it is also important to note that the Checklist will not solve all issues in the pre-owned motor vehicle market. For instance, one of the top ten defects complained by consumers is, inaccurate mileage of the pre-owned motor vehicle purchased. This suggests that the odometer of the motor vehicle had been tampered by either the seller or the dealer. The discovery usually happens when the consumer sends his pre-owned motor vehicle to a workshop for servicing and was informed by the workshop that the vehicle was previously reported to have clocked a higher mileage.

This is addressed in Part A of the Checklist included in this article. By promoting awareness amongst buyers to request for additional statistics, as an industry practice,

sellers of pre-owned motor vehicle can be incentivised to produce past service records evidencing record of mileage at each service. All things being equal, a seller of a pre-owned motor vehicle with the better itemised records, can expect his pre-owned motor vehicle to fetch a higher price on the market.

Users of such Checklist should therefore take note of any possible tampering with their odometer and should request their car dealers to produce service records / logs. If more consumers make such request, dealers / sellers who choose to tamper with the odometer of motor vehicle will not be able to so easily pass-off their motor vehicle as having a lower mileage. Ultimately, the aim of such Checklist for Pre-Owned Motor Vehicle is to educate consumers and to prevent any adverse

selection which results in defective motor vehicles being sold on the market. Additionally, the Checklist encourages dealers to obtain proper records of the pre-owned motor vehicle and allows both the dealer / seller to disclose defects to the consumers prior to purchase.

Part B of the Checklist for Pre-Owned Motor Vehicles tries to address the issue of adverse selection process by educating the consumers of the possible pitfalls when purchasing Pre-Owned Motor Vehicle and to explain to consumers in detail the checks that an authorised inspection center performs. This would allow a consumer to make an informed decision of the purchase and to better understand how to distinguish a lemon from a peach.

### PART A: DEALER SECTION

Description	Details
Car Brand and Model	
Registration Number	
Import Details of Car	Authorised Dealer / Parallel Importer / Self-Imported / Dealer is Unaware *(delete as applicable)
Name of Dealer	<i>Part III of the Consumer Protection (Fair Trading) Act (Lemon Law) only applies to a consumer's purchase(s) from a business. Hence, if you are purchasing the car on consignment or direct from another individual/consumer, you will not be covered under the Lemon Law.</i>
Projected Delivery Date	
Mileage of Pre-Owned Car	_____ km <i>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).</i>
Have you received the servicing records of the car?	Yes / Partial Records Provided / No *(delete as applicable)  <i>Note: Dealer to provide service records in the form of duly completed service booklet, printout from authorised dealer/workshop and/or service invoices.</i>
Full Name and Address of Service Workshop (if applicable)	
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)  If Yes, how many times _____

## PART A: DEALER SECTION

**Car Details**

Date of Registration	
Chassis Number	
Engine Number	
Engine Type	Petrol / Diesel / Electric / LPG / CNG or Hybrid System *(delete as applicable)

**Functional checks**

Unless otherwise indicated, acceptable legends are:

√ - Working / Satisfactory Condition

× - Not Working / Unsatisfactory Condition / Item Worn Out

Headlights / Headlamps / Fog Lights / Daytime Running Lights	
	<i>Suggested Checks: Ensure that all applicable headlights and headlamps are functional.</i>
Tail, Brake, Reverse and Directional Indicator Lamp	
Hazard Light	
Air Conditioning	
	<i>Suggested Checks: Ensure that the air-conditioning remains cold for a prolonged period after the air-conditioning is turned on. If not, indicate unsatisfactory.</i>
In-Vehicle Unit	
	<i>Suggested Checks: Ensure that the In-Vehicle Unit (IU) is able to read and detect the value of the CashCard inserted.</i>
Windscreen Wiper	
	<i>Suggested Checks: Ensure that the windscreen wiper work is able to function at different speeds and there are no abnormal sound.</i>
Side Windows	
	<i>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.</i>
Horn	

**Visual Checks**

Bodywork	
Tyres and Rims	Tyre Profile: Tyres Diameter: 13 / 14 / 15 / 16 / 17 / 18 / 19 / ____ inch
Other Comments	
	<i>Note: Dealers may attach their own checklist to indicate that a particular item is defective or fill up this Part detailing possible defects.</i>

**PART A: DEALER SECTION**

**Warranty coverage**

Please tick as applicable or cancel this section 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**  
\*(tick / fill in as applicable)

Parts	✓	Parts	✓	Parts	✓
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.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
- 9.
- 10.

**Start Date of Warranty**

\_\_\_\_\_ Day \_\_\_\_\_ Month \_\_\_\_\_ Year

**Length of Warranty**

\_\_\_\_\_ Months

**Part A of the Checklist was completed on:**

\_\_\_\_\_ Day \_\_\_\_\_ Month \_\_\_\_\_ Year



## PART B: PROFESSIONAL EVALUATION CENTRE PART

## 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

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

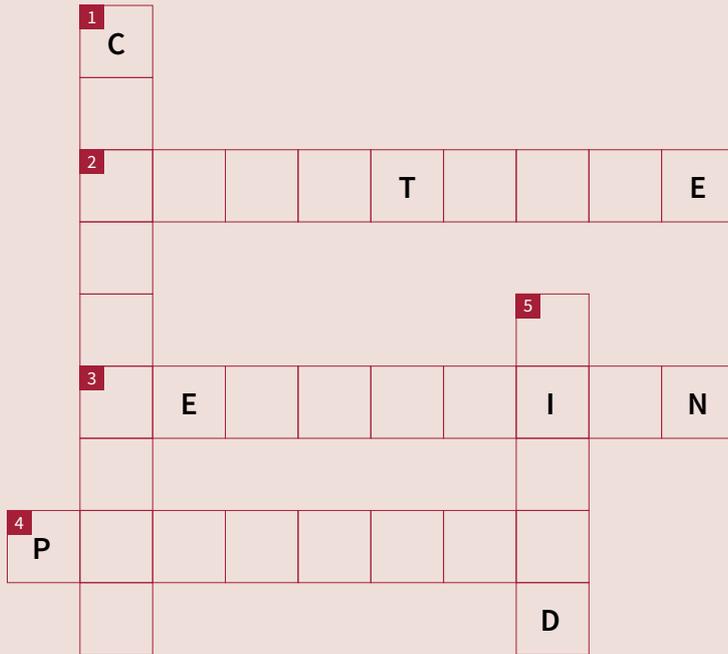


# CASEPlay!

## Puzzle

Complete the puzzle with the hints below.

(Answers are provided at the bottom of this page)



### HINTS

- 1 CASE stands for the \_\_\_\_\_ Association of Singapore.
- 2 It is best for the consumer to \_\_\_\_\_ with the business before coming to CASE for assistance.
- 3 When a dispute reaches a deadlock, CASE will advise consumers to try \_\_\_\_\_, which is an alternative to dispute resolution.
- 4 Putting a consumer in an enclosed room and aggressively promote a new spa package is an example of asserting undue \_\_\_\_\_.
- 5 There are two options to resolve your dispute at CASE: \_\_\_\_\_ and assisted schemes.

ANSWERS TO PUZZLE FUN  
1. Consumers  
2. Negotiate  
3. Mediation  
4. Pressure  
5. Filed

## Contest

Complete the entry and stand a chance to win NTUC FairPrice vouchers worth \$50!

ISSUE 01/2017

CASE provides free consultation to all consumers. True / False? (Circle the correct answer)

Full Name: \_\_\_\_\_

NRIC Number: \_\_\_\_\_

Contact Number: \_\_\_\_\_

\*The above personal data is collected for the purpose of processing your entry for this particular contest, and will not be used or disclosed for any other purposes.

Contest Closing Date: 31 March 2017 (Friday)

### HOW TO WIN?

- STEP 1** Complete the entry
- STEP 2** Scan and submit your entry to [editorial@case.org.sg](mailto:editorial@case.org.sg)
- STEP 3** Lucky winners will be notified by CASE

# Consumer Happenings



LEMON LAW TALK FOR THE FUTURE OPTOMETRISTS AT Ngee ANN POLYTECHNIC



SENIORS OF THE CONCERN AND CARE SOCIETY LEARNING ABOUT THEIR CONSUMER RIGHTS ON A FRIDAY AFTERNOON



Snippets!



ANOTHER UNWANTED KNOCK AT YOUR DOOR? RESIDENTS OF WOODLANDS KNOW HOW TO SAY 'NO' TO UNDUE PRESSURE BY DIRECT SALESPERSONS



A LUNCH-TIME TALK FOR STUDENTS AND STAFF OF THE SINGAPORE MANAGEMENT UNIVERSITY



## MOTORING & YOU ROADSHOW 2017

**Date:** 16 & 17 March 2017  
(Thursday & Friday)

**Time:** 11.30am – 2.30pm

**Venue:** Chevron House, 30 Raffles Place, Singapore 048622

Buying a motor vehicle is a significant financial decision. Yet the industry had topped CASE's complaint listing for five consecutive years. Out of the total number of motorcar complaints, majority were against pre-owned motor vehicles.

In our efforts to improve the situation, CASE is organising a Motoring & You Roadshow in March. The event is held in conjunction with the World Consumer Rights Day celebration, and aims to educate consumers on general tips pertaining to the purchase of motor vehicles.

We will also be launching a pre-owned motor vehicles checklist on the roadshow. The checklist gives both consumers and dealers an overview of the items that should be checked and evaluated before purchase. This helps to minimise subsequent disputes between the consumer and dealer when a defect occurs after purchase. The development of this checklist is initiated by CASE and supported

by the Singapore Vehicle Traders Association (SVTA), Automobile Association of Singapore (AAS), STA Inspection Pte Ltd (STA) and VICOM Ltd (VICOM). The partners will be setting up exhibition booths at the roadshow as well.

Besides exhibitions, there will be fun games and attractive prizes to be won. Do join us to find out more details about the checklist and your general consumer rights!

For more information on the roadshow, please visit our website at: <https://www.case.org.sg/events.aspx>.



# Get Smart!

with the Kiang Family

TIPS FOR SMART SHOPPING

Get your wheels the smart way

Robert Kiang

Mary Kiang

Woofy



Select a company with a good track record and well-trained staff. Buy from CaseTrust accredited and reputable companies.



Read and understand the sales agreement before signing it.



**REMEMBER TO:**

- Ensure the contract indicates all agreed warranty/service packages and car accessories
- Negotiate for the lowest amount of deposit to minimise your risk
- Check for terms requiring additional payments under certain circumstances

Ensure that an official receipt is given for all payments.

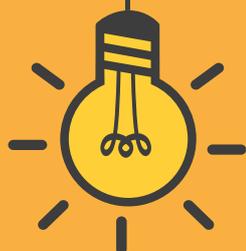


\*PARF: Preferential Additional Registration Fee Rebate  
\*COE: Certificate of Entitlement



To lodge a complaint, call CASE at **6100 0315** or visit their website at [www.case.org.sg](http://www.case.org.sg).

# Consumer Issues & Solutions



Dear CASE

I purchased an electric fan from a shop last month and asked for it to be delivered to my home. When I received the fan the next day, I was shocked to find it dusty and loosely packed. Subsequently when I installed the fan, I discovered that there were a few scratches concealed by a sticker.

I immediately called up the shop and the staff informed me that the fan was actually a display fan. The staff apologised and offered me a discount.

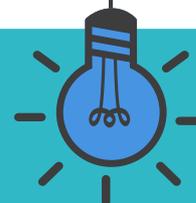
Although the fan is working fine, I am very disappointed with its delivered state. Am I entitled to any form of redress in this case?

A

Dear A

You had purchased a brand new fan and had expected a brand new fan to be delivered. However, the fan which was subsequently delivered was not in a brand new condition and you discovered that it was a display model.

Under the Consumer Protection (Fair Trading) Act, making false claims that goods are new or unused, constitutes an unfair practice. You are entitled to a remedy and the retailer had offered you a discount. You may accept the discount or ask for a replacement. You may approach CASE for assistance to resolve your dispute if necessary.



Dear CASE

I signed up for a new fibre broadband package which costs me \$60 a month. Initially, I only wanted to sign up for the \$50 package, but was persuaded by a salesperson to take up the more expensive one because there is a complimentary TV channel subscription for six months.

However, when I received the bill a few months later, I realised that I was given just four months of free TV channel subscription, and was charged \$12 for additional usage.

I have been trying to contact the company for a refund but was ignored. Is CASE able to help expedite my case?

B

Dear B

Making false claims about the functionality or benefits of goods or services is an unfair practice under the Consumer Protection (Fair Trading) Act. You may approach CASE to help you negotiate with the company for a refund. To better protect yourself in future, you may wish to ensure all verbal commitments are recorded down in writing.

**We want to hear from you!**

Have a story to share? Email it to [editorial@case.org.sg](mailto:editorial@case.org.sg) (max. 200 words).

Not Just a  
Pretty Face:



# The Ugly Beauty Business



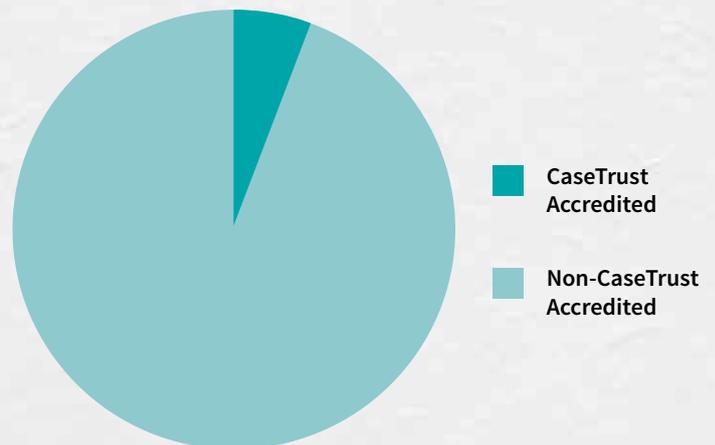
The Spa & Wellness industry has been marred by unfair practices that can be downright ugly at times.

Horror stories of hard-sell tactics abound, detailing nightmarish encounters of personal belongings being withheld by staff of rogue businesses, whilst being pressurised to sign on the dotted line for additional products or services that were deemed unnecessary.

Such stories are just the tip of the iceberg.

In fact, the numbers are telling – a total number of 765 cases have been lodged with CASE against beauty businesses, including spas, hair salons and slimming centres in 2016. Of which, a whopping 93% of such complaints involved non-CaseTrust Accredited Businesses.

## COMPLAINTS RECEIVED FOR SPA & WELLNESS INDUSTRY



*Note: Number of complaints based on assisted and filed cases in year 2016 only.*

Our records also show that CaseTrust Accredited businesses were more likely to resolve the complaints lodged at CASE amicably, as compared to the non-CaseTrust accredited businesses. For year 2016, there was a commendable 90% dispute resolution rate for the former group of businesses.

## DISPUTE RESOLUTION RATE



Besides commitment to proper dispute mechanisms, businesses are also required to go through the rigorous checks by CaseTrust on their conformance to the stringent CaseTrust criteria before they are allowed to be accredited. The CaseTrust criteria include assessment on the following areas:

1. The business should have consumer-friendly policies

3. The business practises ethical advertising standards

2. The business has well documented practices and systems

4. Staff of the business should be well-trained

To further enhance consumer protection, the CaseTrust Spa and Wellness Scheme also requires accredited businesses to offer prepayment protection to consumers who make advanced payment, by way of either Insurance or the EZ-Link Trust card. These prepayment protection mechanisms are intended to help safeguard the unconsumed payment made by the consumers, in the event that the accredited business were to cease operation.

In view of the abovementioned, consumers are encouraged to patronise CaseTrust Accredited Businesses for a better peace of mind. We also hope the following tips are handy when it comes to deciding if the package is worth the deal:

1. Always take time to consider the purchase. Buying a package on impulse may not be financially viable in the long run.
2. Know your rights. You are free to decline the business' offer for the package you feel pressured to sign up.
3. Exerting undue pressure on a consumer to enter into a contract is a breach of the Consumer Protection (Fair Trading) Act. Consider calling the police if you are not allowed to leave the premises.
4. Always ask for your Insurance Cover Note or EZ-Link Trust card to be issued immediately if you are making prepayment (including but not limited to gift vouchers, membership fee, prepaid package, etc.), and check that the unused quantum of your prepayment and personal details indicated on the documentary proof of prepayment protection are correct.
5. Retain all documents given by the business until you finish consuming the product/service and check that your details on all of the documents are correct.

The list of all CaseTrust accredited companies can be found on [www.casetrust.org.sg](http://www.casetrust.org.sg).

# Get Smart!

## with the Kiang Family

TIPS FOR SMART SHOPPING AND CONSUMER SAFETY

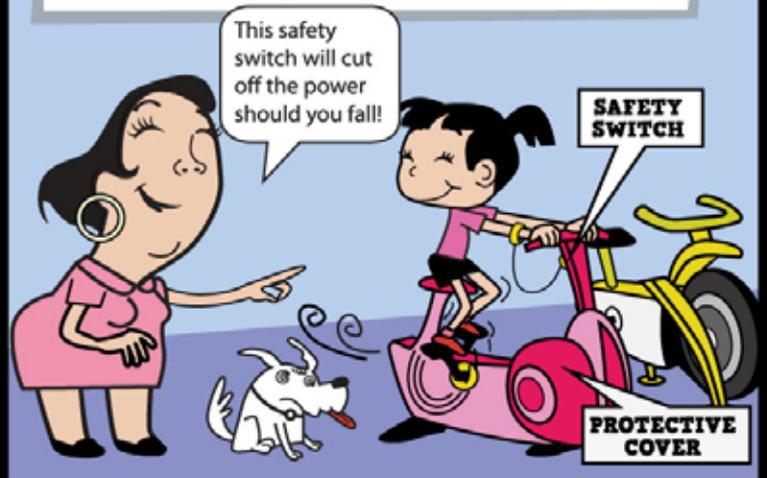
**“The safe way for a good workout!”**



Use exercise equipment properly and safely.



Choose exercise equipment with protective covers and safety switches.



Ensure children cannot reach or touch the machine before using the exercise equipment.



Unplug exercise equipment after use and store it out of reach of children.



For more consumer safety tips, please visit [www.spring.gov.sg/productsafety](http://www.spring.gov.sg/productsafety)

# In A Nutshell

## DID YOU KNOW?

There is a 5-day cooling off period for door-to-door sales transactions.

Goods marked with “non-refundable” or “non-exchangeable” are still covered under the Lemon Law if they are found to be defective.

Defective second-hand goods are also covered under the Lemon Law.

## TOP TEN INDUSTRIES WITH HIGHEST NUMBER OF COMPLAINTS IN 2016



**MOTORCARS** 



**FURNITURE** 



**BEAUTY** 



**HANDPHONES** 



**ELECTRICAL AND ELECTRONICS** 



**MAID AGENCIES** 



**CONTRACTORS** 



**TELECOMMUNICATIONS** 



**CLUBS** 



**TRAVEL** 





## 看中医， 请留意

对许多人来说，传统中医治疗是生活中很重要的一环。中医治疗不分种族，不分国籍。无论是治疗一般的感冒或慢性病，将东方及西方疗法结合在一起都能提供许多优势。就连奥运金牌选手麦可·菲尔普斯 (Michael Phelps) 也曾分享过自己接受拔罐治疗的照片。

即使如此，消费者在寻求中医执业者的服务时，仍然要注意几个关键问题，以免让自己陷入困境。在本文中，我们将说明几个常见状况，并告诉您如何避免它们发生。

## 宣传不实

**状况：**王小姐到某家中医治疗所购买了一个含 25 次治疗的套餐疗程，并支付总额 \$1,325。然而，她在接受头两次治疗后，觉得公司的服务水准并不令人满意。

根据该诊所的宣传传单，顾客在报名后的十天内可以要求取消疗程并得到全额退费。于是，王小姐尝试向诊所的职员要求取消疗程，却因条款已过期为由，被职员婉拒了。

**解决方法：**无法亲自解决纠纷的王小姐联系了新加坡消费者协会。在我们的调解之下，她成功得到了全额退费。

**忠告：**在付款购买之前，请仔细阅读条款和细则。



## 订价不实

**状况：**陈先生预约一个 30 分钟的推拿疗程，并付了 \$40。然而，他在疗程结束后拿到帐单时，发现帐单上印的总额竟是 \$51。

当他质问店员时，才被告知 \$40 是促销价，该推拿诊所已经把价格调高。陈先生觉得自己上了当，因为他在预约疗程时并没有人告知他这些细节。

**解决方法：**陈先生前来新加坡消费者协会寻求帮助。经由我们的介入，该公司解释那是一场误会，并且退回额外收取的 \$11。

**忠告：**请当心中医执业者是否临时更改价格。在预约任何订单前，再三确认价格，并以书面记载店员的承诺。

## 收费过高

**状况：**李小姐找了一位中医师看诊。看诊费用清楚标明是 \$20。在看诊的时候，中医师建议李小姐为她身体的小毛病接受推拿及针灸治疗，李小姐同意了。

看完诊后，李小姐在柜台被要求支付总额 \$182。也就是说她接受的推拿和针灸治疗要价 \$162！她心中清楚知道该中医治疗所的收费比市场价格高出很多。那位中医师事前并没有向李小姐提起推拿及针灸治疗的个别费用，诊所也没有提供她任何收据。

**解决方法：**由于李小姐当下已接受了治疗，所以不好意思与诊所争执。她只好拨电致新加坡消费者协会询问。消协了解案件后替李小姐与诊所协商，拿回了 \$80 的退款。

**忠告：**请务必了解治疗的收费标准，并且在接受治疗后索取正式收据。



只要您记住这些贴士，您就可以更放心地到您偏好的中医执业者接受中医治疗。

# Subscription Form

Hope you have enjoyed reading **The Consumer**.

If you would like to subscribe, just fill up the form below and send it back to us; one year's subscription (4 issues) cost just \$13.00 (UP:\$20.00)!

Name (Dr/ Mr/ Mrs/ Miss/ Mdm)*:	
Company / Designation (if applicable):	
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Telephone (Home / Office):	
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Date:	Signature:

Please tick (✓) subscription rate:

- 1 year (4 issues) - \$13.00 (UP: \$20.00)       2 years (8 issues) - \$26.00 (UP: \$40.00)
- 3 years (12 issues) - \$39.00 (UP: \$60.00)

Enclosed cheque/money order of S\$ \_\_\_\_\_ Cheque No \_\_\_\_\_ Bank \_\_\_\_\_  
being payment for subscription indicated above. The Cheque should be made payable to "CASE", mail to: "The Consumer" Subscription, Consumers Association of Singapore (170 Ghim Moh Road, #05-01, Ulu Pandan Community Building, Singapore 279621)

\* Delete where inapplicable

## CASE Membership for Organisations

Join CASE as a corresponding or institutional member and enjoy the following benefits:

### Access to CASE publications

Quarterly magazine, The Consumer  
Legislative guidebooks  
Informative brochures

### Seminars

1 free Fair Trading & You Seminar  
(Members to provide admin support and venue)

Subsidised rates for subsequent seminars

Please call **6461 1882** to enquire

### Benefits to Staff of corresponding members

Automatic CASE membership (U.P. \$26.75 per year)

Subsidised rate when you subscribe to The Consumer (\$13.00 vs U.P. \$20.00)



## CASE Membership for Individuals

Join us as a CASE member for \$26.75 a year and receive:

CASE assistance by paying only admin fee (\$10.70 and above)

Access to CASE publications

Access to direct contact details of CASE Officers

Subsidised rates or free entry to seminars, events and forums organised by CASE or CASE partners

Please visit [www.case.org.sg](http://www.case.org.sg) to download membership form

## Not a member?

You can still call CASE hotline: **6100 0315**

Or walk in to our CASE office to receive advice at no charge

\*All prices are inclusive of GST.