

No. S 000

**CONSUMER PROTECTION (FAIR TRADING) ACT
(CHAPTER 52A)**

**CONSUMER PROTECTION (FAIR TRADING)
(MOTOR VEHICLE DEALER DEPOSITS)
REGULATIONS 2007**

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In exercise of the powers conferred by sections 18A(2) and 20 of the Consumer Protection (Fair Trading) Act, the Minister for Trade and Industry hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Consumer Protection (Fair Trading) (Motor Vehicle Dealer Deposits) Regulations 2007 and shall come into operation on 2007.

Definitions

2. In these Regulations —

“motor vehicle dealer” means a supplier of motor vehicles;

“motor vehicle sale contract” means a contract between a consumer and a motor vehicle dealer for the sale of a motor vehicle to the consumer;

“motor vehicle” has the same meaning as in section 2 of the Road Traffic Act (Cap. 276).

Information requirement

- 3.—(1) A motor vehicle dealer shall, before collecting any deposit from a consumer in relation to or in contemplation of a motor vehicle sale contract, inform the consumer in writing of the terms of the refund policy of the motor vehicle dealer in respect of the deposit.

(2) Any ambiguity in the terms of the refund policy provided under paragraph (1) shall be interpreted against the motor vehicle dealer.

Retention of deposit by motor vehicle dealer

4.—(1) A motor vehicle dealer shall not exercise any right to retain a deposit, or any part of a deposit, paid by a consumer in relation to or in contemplation of a motor vehicle sale contract unless the motor vehicle dealer has complied with regulation 3.

(2) Subject to this regulation, a motor vehicle dealer shall not exercise any right to retain a deposit, or any part of a deposit, paid by a consumer in respect of or in contemplation of a motor vehicle sale contract involving financing arranged by the motor vehicle dealer on behalf of the consumer, unless the motor vehicle dealer has, within a reasonable time —

- (a) applied for a loan from a bank or finance company on behalf of the consumer in respect of the motor vehicle sale contract in terms agreed by the consumer; and
- (b) provided the consumer with a written statement from the bank or finance company in accordance with paragraph (3).

(3) The written statement referred to in paragraph (2)(b) shall contain the following particulars:

- (a) name of the bank or finance company;
- (b) name of the motor vehicle dealer, its address and the business registration number, company registration number or other equivalent registration number of the motor vehicle dealer;
- (c) name of the buyer, his address and his NRIC number, FIN number or passport number;
- (d) the make and model of the motor vehicle and its selling price;
- (e) the date when the application for the loan was made;
- (f) the amount of the loan applied for; and
- (g) the outcome of the application for the loan, including —
 - (i) if the application was approved, the terms of the loan; or
 - (ii) if the application was rejected, the reason for the rejection.

