

No. S000 -

CONSUMER PROTECTION (FAIR TRADING) ACT 2002
(ACT OF 2002)

CONSUMER PROTECTION (FAIR TRADING)
(CANCELLATION OF CONTRACTS) REGULATIONS 2002

ARRANGEMENT OF REGULATIONS

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In exercise of the powers conferred by sections 8 and 16 of the Consumer Protection (Fair Trading) Act 2002, 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) (Cancellation of Contracts) Regulations 2002 and shall come into operation on .

Definitions

2. In these Regulations, unless the context otherwise requires —
 - “contract” means a direct sales contract or time share contract;
 - “direct sales contract” means a contract for the supply by a supplier of goods or services to a consumer which is made —
 - (a) during an unsolicited visit by a supplier to —
 - (i) the place of residence of the consumer;
 - (ii) the place of residence of another person; or
 - (iii) the place of business of the consumer;
 - (b) during a visit referred to in paragraph (a) at the express request of the consumer where the goods or services to which the contract relates are other than those for which the consumer requested the visit of the supplier, provided that when the visit was requested the

consumer did not know, or could not reasonably have known, that the supply of those other goods or services formed part of the business activities of the supplier; or

- (c) after an offer was made by the consumer in respect of the supply by the supplier of the goods or services in the circumstances referred to in paragraph (a) or (b) ;

“time share contract” means a contract in which an individual acquires the right to use any type of real or personal property that can be used as accommodation, whether or not it is located in Singapore —

- (a) for a period of time of less than one year during an interval specified in the contract; and
- (b) as part of a plan that provides for the use of the property to circulate among persons participating in the plan;

“unsolicited visit” means a visit by a supplier, whether or not he is the supplier who supplies the goods or services, which does not take place at the express request of the consumer and includes a visit which takes place after a supplier telephones the consumer (otherwise than at his express request) indicating expressly or by implication that he is willing to visit the consumer.

Right to cancel contract

3.—(1) Where a consumer has entered into a contract, the consumer may give notice of cancellation of the contract to the supplier or any person designated by the supplier as one to whom notice of cancellation may be given (referred to in this regulation as a designated person) at any time within 3 days, not including Saturday, Sunday and public holidays, after the day on which the contract is entered into (referred to in this regulation as the cancellation period), and the contract may not be enforced against the consumer during the cancellation period.

(2) If in a case falling within paragraph (1) the consumer affirms the contract at any time after the expiry of the cancellation period, paragraph (1) shall not prevent the contract from being enforced against the consumer and he may not at any time after his affirmation give notice of cancellation of the contract to the supplier or designated person.

(3) The giving of a notice of cancellation of the contract, within the cancellation period, by the consumer to the supplier or designated person shall have the effect of cancelling the contract and the contract shall be treated as if it had not been made.

(4) A notice of cancellation shall be given —

- (a) by delivering it to the supplier or designated person personally;
- (b) by leaving it at, or by sending it by pre-paid post to, an address provided by the supplier; or
- (c) by sending it by facsimile transmission to a facsimile number provided by the supplier.

(5) Where the supplier has not notified the consumer of the facsimile number or address to which the notice of cancellation shall be sent, the notice may be given by leaving it or sending it by post to —

- (a) the usual or last known address of the place of business of the supplier or designated person; or
- (b) in the case of a body corporate, to its registered office or principal office in Singapore.

(6) A notice of cancellation sent by post by a consumer shall be deemed to have been given at the time of posting, whether or not it is actually received.

Recovery of money paid by consumer

4. Where a contract is cancelled under regulation 3 —

- (a) the contract shall cease to be enforceable;
- (b) any sum which the consumer has paid under or in contemplation of the contract to the supplier, or to any person who is the agent of the supplier for the purpose of receiving that sum, shall be recoverable from the supplier by the consumer;
- (c) the consumer or any person on his behalf shall have a lien on any goods in the possession of the consumer or any person on his behalf for any sum payable to the consumer under paragraph (b);
- (d) any security which the consumer has provided in relation to the contract shall be treated as not having had effect and any property lodged with the supplier solely for the purposes of the security as so provided shall be returned by him;
- (e) no sum may be recovered by or on behalf of the supplier from the trader in respect of the contract; and
- (f) any related contracts shall not be enforceable against the consumer.

Return of goods by consumer on cancellation of direct sales contract

5.—(1) Subject to paragraph (2), a consumer who has before cancelling a direct sales contract under regulation 3 acquired possession of any goods by virtue of the direct sales contract shall be under a duty, subject to any lien, on the cancellation to restore the goods to the supplier in accordance with this regulation, and for the time being to retain possession of the goods and take reasonable care of them.

(2) The consumer shall not be under a duty to restore —

- (a) perishable goods;
- (b) goods which by their nature are consumed by use and which, before the cancellation, were so consumed;
- (c) goods supplied to meet an emergency; or
- (d) goods which, before the cancellation, had become incorporated in any land or thing not comprised in the contract.

(3) In the event that paragraph (2) applies, the consumer shall be under a duty to pay in accordance with the direct sales contract for the supply of the goods and for the provision of any services in connection with the supply of the goods before the cancellation.

(4) The consumer shall be discharged from any duty to retain possession of the goods or restore them to the supplier at the time he delivers the goods to the supplier or to a person specified in the direct sales contract for such purposes.

(5) Where any security has been provided in relation to the contract, the duty imposed on the consumer to restore goods by this regulation shall not be enforceable before the supplier has discharged any duty imposed on him under regulation 4(d).

No imposition of additional duty or liability on consumer

6.—(1) The supplier shall not by a term in a contract impose, directly or indirectly, any additional duty or liability on the consumer in relation to the duties imposed by these Regulations.

(2) A term in a contract is void to the extent that it is inconsistent with paragraph (1).