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**No. S 43**

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

**CONSUMER PROTECTION (FAIR TRADING)  
(CANCELLATION OF CONTRACTS)  
(AMENDMENT) REGULATIONS 2014**

In exercise of the powers conferred by sections 11, 18A 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) (Cancellation of Contracts) (Amendment) Regulations 2014 and shall come into operation on 1st April 2014.

**Amendment of regulation 2**

**2.** Regulation 2(1) of the Consumer Protection (Fair Trading) (Cancellation of Contracts) Regulations 2009 (G.N. No. S 65/2009) (referred to in these Regulations as the principal Regulations) is amended —

(a) by inserting, immediately after the definition of “direct sales contract”, the following definition:

““extended cancellation period” means the period specified in regulation 4(1A);”;

(b) by inserting, immediately after the definition of “initial contact”, the following definition:

““long-term holiday product contract” means a contract between a supplier and a consumer —

(a) the main effect of which is that the consumer, for consideration, acquires the

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right to obtain discounts or other benefits in respect of accommodation; and

- (b) which has a duration of more than one year, or contains provision allowing for the contract to be renewed or extended so that it has a duration of more than one year,

irrespective of whether the contract makes provision for the consumer to acquire other services;” and

- (c) by inserting, immediately after the words “direct sales contract,” in the definition of “regulated contract”, the words “a long-term holiday product contract,”.

### **New regulations 3A and 3B**

**3.** The principal Regulations are amended by inserting, immediately after regulation 3, the following regulations:

#### **“Advance consideration**

**3A.** A supplier shall not (either in person or through another person) request or accept any consideration, from —

- (a) a prospective consumer in contemplation of a long-term holiday product contract, a time share contract or a time share related contract; or
- (b) a consumer under a long-term holiday product contract, a time share contract or a time share related contract before the expiration of the cancellation period.

#### **Product information notice**

**3B.—(1)** A supplier who proposes in the course of his business to enter into a time share contract or a long-term holiday product contract with a prospective consumer shall, prior to the entering of the contract, provide the prospective consumer, free-of-charge, with a product information notice relating to the time share accommodation or long-term holiday product, as the case may be, which complies with paragraph (2).

(2) A product information notice shall in relation to the time share accommodation or long-term holiday product, as the case may be, set out the information referred to in the Third Schedule in a manner which is —

- (a) clear, comprehensible and accurate; and
- (b) sufficient to enable the prospective consumer to make an informed decision about whether or not to enter into the time share contract or long-term product contract, as the case may be.”.

#### **Amendment of regulation 4**

4. Regulation 4 of the principal Regulations is amended —

- (a) by deleting the word “or” at the end of paragraph (1)(a);
- (b) by deleting sub-paragraph (b) of paragraph (1) and substituting the following sub-paragraphs:

“(b) the day on which the consumer information notice is brought to the attention of the consumer, if the consumer information notice was not brought to the attention of the consumer before or at the time when the regulated contract was entered into; or

- (c) where the regulated contract is a long-term holiday product contract, and neither the information relating to the discounts or other benefits in respect of accommodation which the consumer will acquire under the contract, nor the technical means of accessing such information, was provided to the consumer before or at the time when the contract was entered into, the earlier of the following:

(i) the day on which such information is provided to the consumer; or

(ii) the day on which the technical means of accessing such information is provided to the consumer.”;

- (c) by inserting, immediately after paragraph (1), the following paragraph:

“(1A) Where consideration is requested or accepted in contravention of regulation 3A, or a contract is entered into in contravention of regulation 3B, the cancellation period shall be extended by 3 months.”;

- (d) by inserting, immediately after the words “cancellation period” in paragraph (2), the words “or, where applicable, the extended cancellation period”;

- (e) by deleting paragraph (3) and substituting the following paragraph:

“(3) If the consumer affirms the regulated contract at any time after the expiry of 5 days (excluding Saturdays, Sundays and public holidays) after the day on which —

- (a) the regulated contract was entered into; or
- (b) the consumer information notice was brought to the attention of the consumer,

whichever is the later —

- (i) these Regulations shall not prevent the contract from being enforced against the consumer; and
  - (ii) the consumer may not at any subsequent time give notice of cancellation under paragraph (2).”;
- (f) by inserting, immediately after the words “cancellation period” wherever they appear in paragraph (4), the words “or extended cancellation period, as the case may be,”; and
- (g) by deleting the words “paragraphs (1) and (2)” in paragraph (5) and substituting the words “paragraph (1), (1A) or (2), or regulation 3A or 3B,”.

### **Deletion and substitution of regulation 9**

5. Regulation 9 of the principal Regulations is deleted and the following regulation substituted therefor:

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**“Burden of proof**

9. In any proceedings taken in any court between the consumer and a supplier where a dispute arises as to whether —

- (a) the product information notice has been provided to the consumer in accordance with regulation 3B(1);
- (b) the product information notice complied with the requirements of regulation 3B(2);
- (c) the consumer information notice has been brought to the attention of the consumer in accordance with regulation 4(1)(b); or
- (d) the consumer information notice informed the consumer of his right to cancel the contract under these Regulations, and contained the information specified in the First Schedule, in accordance with regulation 4(6),

section 18A of the Act shall apply so that the supplier shall bear the burden of proving that the requirement referred to in paragraph (a), (b), (c) or (d), as the case may be, has been complied with.”.

**Amendment of First Schedule**

6. The First Schedule to the principal Regulations is amended —

- (a) by deleting paragraph 1 of Part B and substituting the following paragraphs:

“1. The consumer has a right to cancel a regulated contract within 5 days (excluding Saturdays, Sundays and public holidays) after —

- (a) the day on which the consumer entered into the contract;
- (b) the day on which the consumer information notice was brought to his attention, if the consumer information notice was not brought to the attention of the consumer before or at the time he entered into the contract; or
- (c) where the regulated contract is a long-term holiday product contract, and neither the information relating to the discounts or other benefits in respect of accommodation which the consumer will acquire under the contract, nor the technical means of accessing such information (e.g.