

# INTRODUCTION

## 1. OBJECTIVES

- a) To assist SFA members to the highest possible standard of good faith, courtesy, integrity and professionalism in all dealings with consumers.
- b) To protect consumers' interests in ensuring that they receive value-for-money products and good quality service.
- c) To provide an avenue of redress for both the members and the consumers should the need arise.
- d) To promote and provide mediation service as an alternative means of resolving disputes between the members and the consumers.

## 2. ELIGIBILITY

The Quality Service Scheme (QSS) is applicable to all furniture & furnishings retailers and interior design & renovation service providers.

### Quality Service Award (QSS)

To be eligible, an applicant must:-

- be a member of SFA;
- have a good retail track record and gave no serious complaints with SFA during a period of **three** consecutive years prior to the date of application;
- be assessed by FIRAC in determining if they meet specified criteria. These include business practices, service level of the staff, management focus and the tangible assets of the business outlet such as cleanliness and ambience etc.
- be assessed annually to ensure that high standards are maintained.

*\*Notwithstanding the above, SFA shall be entitled to decline any application without providing any reasons thereof.*

## 3. APPLICATION PROCEDURES

- a) To participate in the SFA/FIRAC Quality Service Scheme, interested companies may obtain the application form at:

Furniture & Interior Renovations Advisory Committee  
**Singapore Furniture Association**  
7500A Beach Road  
#04-302 The Plaza  
Singapore 199591  
Tel: 6298 1600  
Fax: 6296 2355

- b) Completed application form should be submitted together with the following to SFA Secretariat office:
  - i) a cheque payment for the entrance fee of S\$321.00 and the annual subscription fee of S\$374.50 for QSS (inclusive of GST 7%).
  - ii) a detailed ROC copy of the company (applicable only to new SFA members)
- c) The member has to make payment for the annual subscription fee and/or other payment owe to SFA prior being accepted as a member of the FIRAC.

## **TERM AND CONDITIONS**

### **1. BINDING AGREEMENT**

Applicants shall sign an agreement that they will be bound by the terms, conditions and obligations outlined in the code of practice of FIRAC.

### **2. VARIATIONS TO THE CODE**

SFA/FIRAC reserves the right to vary the terms, conditions and obligations of the Code. All members will be notified on such variations and shall be bound by such variations to the Code upon notification.

### **3. REVOCATION OF MEMBERSHIP**

- a) The FIRAC reserves the right to revoke the membership of any member if he/she:-
  - i) has given false information on his application form.
  - ii) has been convicted of any offence and is sentenced to a term of imprisonment;
  - iii) has ceased to carry on business and/ or has a Bankruptcy Notice issued against him.
  - iv) being a company has entered into liquidation, whether voluntary or compulsory (except for the purpose of amalgamation or reconstruction).
  - v) failed to pay either the annual subscription fee of SFA and/ or FIRAC/QSS when due.
- b) Upon revocation of membership as aforesaid and without prejudice to the rights of SFA, the entrance fee and all subscription fees paid by the terminated member shall be forfeited and the terminated member shall remove all display of the QSS emblem from his/her premises. And that, all QSS emblem has to be returned to the association. Unless otherwise, in the case of reinstated members, SFA reserves the sole discretion, in which terms and conditions are abide accordingly.

- c) The members shall be liable to pay SFA all legal costs (on an Indemnity basis) and expenses which SFA may incur in enforcing or seeking to enforce this Agreement and/ or in obtaining or seeking to obtain payment of all or any part of the invoices hereby agreed to be paid by the member.
- d) The member shall notify the SFA of any changes in their office or mailing address within fourteen (14) days.
- e) The QSS together with the Code shall be governed by and construed in accordance with the laws of Singapore.

#### **4. WITHDRAWAL OF MEMBERSHIP**

- a) A member may withdraw his membership by serving a written notice to the FIRAC committee and such withdrawal shall take effect upon receiving the notice. Prior to the date of withdrawal, member is obligated in abiding to the code.

#### **5. SUSPENSION/ EXPULSION FROM THE CODE**

- a) A member shall be suspended for a certain time period (deemed suitable by the FIRAC committee) if the member failed to carry out any of his obligations under the agreement come to or signed after the mediation session. If such failure continues after (7) seven days of notice in which default has been given by the FIRAC committee to him/ her and that the member does not meet the consumers' interests in the opinion of the FIRAC, such membership shall be expelled.
- b) In the event that a member is suspended pursuant to the provision of the Code and notified by the committee, the member shall:
  - i) not be entitled to bear any certification or logo indicating that the company is a member of the Code during the period of suspension
  - ii) continue to be bound by the obligations of the Code rules, requirements and entitlements.
- c) In the event that a member is expelled pursuant to the provision of the Code and notified by the FIRAC committee, the member shall remove all references of compliances and suggestion of compliances with this scheme from the product, promotional materials or any other applicable.
- d) SFA/ FIRAC reserves the right to publicise companies that have been expelled from the scheme.

# CODE OF PRACTICE

## 1. OPERATIONS

- a) The member should have a written set of store policies which clearly states its business practices. The member should display the store policies at a visible place, such as at the entrance or checkout counter.
- b) The member must display the QSS emblem granted to him at prominent places within his shop/ showrooms.
- c) The member must provide good sales and after-sales service and respond promptly and positively to legitimate consumer complaints. Complaints should be resolved within a maximum of 21 working days upon receipt of the complaint.
- d) If the member and consumer(s) unable to agree as to whether the items are defective, both parties shall present their respective cases to FIRAC for deliberation.
- e) If a complaint of non-compliance has risen, the FIRAC committee is empowered to conduct necessary investigation and refer matters of consumer complaints to the mediation committee.

### **Retailer/ Interior Design Service Provider**

- f) The shops/showrooms registered under the QSS shall maintain a reasonable and acceptable daily operating hours. The recommended operating hours is minimum 9 hours.
- g) All products must be well displayed and tagged in Singapore currency and reflect the total amount inclusive/exclusive of GST (including discounts, if any).
- h) Receipts/ sales invoice must be issued for all sales transaction. The receipts should reflect the name of company, date of purchase, quantities purchased and amount paid/details of services provided. Copies of such receipts must be retained for a period of not less than a year.
- i) The member should provide consumers with receipt/ sales invoice to acknowledge payment of deposits. The receipt/ sales invoice should reflect the name and address of the company, consumer's particulars, description of merchandises/services, amount paid and mode of payment. The receipt must be validated with the company's stamp and authorised signature(s). A copy of the receipt should be given to the consumer. The member should clearly state the terms and conditions (on the receipt or sales invoice) for any deposits paid should the transaction be cancelled.
- j) The member should take steps to avoid over-or under-charging and to ensure that the correct change is given. The member should clearly and prominently display the types of payment method available to consumers.

- k) The member should clearly states any delivery and/or shipping charges incurred, and any other additional charges for extra services such as alterations, repairs and gift-wrapping etc.
- l) Goods sold by members should be of acceptable, merchantable quality and reasonable prices.
- m) Members should not impose a surcharge on the use of Credit or Charge cards facilities or otherwise discriminate against cardholders with respect to terms of sales.
- n) Goods or services should be delivered according to the agreed time frame and conditions. The member should contact consumers on the status of their deliveries via telephone, letters, emails, etc, when deemed appropriate.
- o) The member should provide delivery order forms that reflect name of the company, consumer's name and address, description and quantities of merchandise, date of delivery and consumer's signature to acknowledge receipt of delivery. A copy of the delivery order form should be given to the consumer for retention.
- p) A warranty of minimum period of 12 months on furniture and furnishing item sold or interior design/renovation works will be applicable for manufacturing and visible defects for the consumers.

A clear description/ condition of the above warranty must be given to the consumers. The warranty need not cover matters outside the scope of manufacturing and visible defects such as latent defects, negligence in delivery and installation of items or negligence generally of fair wear and tear.

- q) Provide "Money Back Guarantee" i.e.:-  
Full refund shall apply if the furniture and furnishing items purchased are found to be defective upon delivery, and if consumers are unable to exchange for identical items.

**Manufacturer/ Supplier**

- r) Members should offer products that are appropriate for the specified end-use of the finished item when used in combination with other components.
- s) Members should undertake repairs or providing replacement product(s) in accordance to the terms and timing set out in the any written guarantee.
- t) Members should provide the necessary product information to agents, wholesalers and retailers to assist them to advise the retail consumer of the recommended end-use of the product and its safety limitations.
- u) Members should ensure that furniture products that are labelled are proven applicable for consumers.

## **2. PERSONNEL TRAINING**

- a) All sales personnel must be trained on their product knowledge, store policies, and/ or all relevant knowledge of products and after sales service skills.
- b) The member must ensure that their sales staffs are trained in the elements of furniture quality and the function of QSS.

## **3. ETHICS**

- a) The member must maintain ethical standards at all times in its conduct of business and should not carry out practices which are contrary to the interests of consumers such as misleading advertisement, false price mark-ups, pressure selling, etc. The member should ensure that all advertising materials comply with the Singapore Code of Advertising Practice (SCAP). The member must deliver goods of the same quality and designs as ordered by consumers and should maintain a sufficient level of stock for all promotional items. Notwithstanding the terms hereof, should the above-mentioned be violated, the FIRAC reserves the right to cease the member's award status without refund.
- b) The member must respond promptly to the concerns and complaints, e.g. undertaking repairs or providing replacement product(s), in accordance with the terms and timing set out in any written guarantee or a suitable time frame as decided by the FIRAC.
- c) The member must empower the officers, staff and agents of the FIRAC to conduct necessary investigations for the purpose of ascertaining whether or not the member is complying with the provision of these regulations.
- d) The member should use consumer's particulars strictly for the purpose of completing sales transactions, internal marketing and billing, or for other legitimate purposes made known to the consumer prior to obtaining such particulars. The member should keep all consumers' particulars confidential. This level of confidentiality must be communicated to and understood by all relevant departments/staff.

## **CONFLICT MEDIATION PROCEDURES**

- 1) When a dispute arises, the member should first attempt to resolve the dispute with the consumers at their level.
- 2) If either party has started proceedings in court, Small Claims Tribunal or has referred the dispute for arbitration, the FIRAC committee will not intervene in the dispute unless the said proceedings have been discontinued or withdrawn prior to final judgement or award.
- 3) In the event, if a consumer cannot resolve grievances with the member, he/she may lodge a formal complaint with the FIRAC committee.

- 4) A S\$50 processing and administration fee will be imposed on the consumer/ member for application for mediation session provided by the FIRAC committee.
- 5) Any complaints which may arise between consumers and members will be brought to the attention of FIRAC committee in **writing**. All complaints should be made to the address of the SFA Secretariat office and such submissions will need to state the nature of the complaint and accompanied by all correspondence related to the dispute (e.g. receipt/ sales invoice), if any.
- 6) For verbal complaints, investigations or actions will not be carried out without written notice from the complainant(s).
- 7) Disputes may be solved between the consumer and the member within a suitable time frame decided by the FIRAC committee.
- 8) Disputes can be referred to mediation session(s) upon request of the parties involved in the complaint, whereby the FIRAC will provide an impartial panel from related industries to act as mediators and to assist disputing parties in resolving their differences, in an amicable manner. The proposed structure is that a suitable expert be engaged to provide an independent, objective and impartial opinion.
- 9) An Advocate and Solicitor (in practice) will not be allowed to represent either party during the mediation session(s).
- 10) The agreement derived will be decided by the disputing parties and not the mediators in the mediation process. The mediators are present only to provide guidance and to resolve the dispute by letting the parties discuss among themselves on what sort of agreement will best fulfil their needs.
- 11) The final agreement reached by the disputing parties at the end of the mediation session(s) is binding and enforceable. The agreement terms will be stated in writing on an official letterhead of the SFA and will be mailed to the disputing parties.
- 12) Members shall respect and comply with the agreement at the end of the mediation.
- 13) The FIRAC committee in hearing will not be held responsible legally for any claim or matter connected with the dispute.
- 14) Should there be no agreement reached at the end of the mediation session, the FIRAC may either suggest the parties refer the dispute to:
  - the Singapore Mediation Centre (SMC), if the amount in concerned exceeds S\$250,000;
  - Consumers' Association of Singapore (CASE);
  - Court;
  - Small Claims Tribunal; or
  - Strata Titles Board.

## **BREACHES OF THE CODE**

- 1) The committee will seek necessary corrective action to be undertaken by the member and recommend remedial action when a breach of the Code has been determined.
- 2) The possible types of remedial action may be recommended are:
  - i) cessation of conduct including withdrawal of advertising;
  - ii) corrective advertising;
  - iii) explanatory letters to consumers;
  - iv) refunds to consumers;
  - v) provision of alternative merchandise; and
  - vi) bearing of all administrative costs associated with investigation of the complain.
- 3) Where a member
  - fails to undertake such recommended action within a reasonable period specified in the notification,
  - or repeats a breach of the Code,
  - or where it is alleged that the Code is breached by the member and this brought to the attention of the committee,
  - and where these circumstances may involve a breach of trade practices or fair trading legislation,

The committee shall notify and provide full details of the possible breach to the appropriate regulatory authority for investigation. In these circumstances, the committee shall suspend the member pending the outcome of the investigation. The committee may reinstate the member if it provides further information which satisfies the conditions, and that the suspension is no longer applicable.

## **CONFIDENTIALITY DATA**

The committee will keep the following data confidential:

- a) the number of complaints lodged and by whom and about whom;
- b) the number to be found in breach of the Code and the reason(s);
- c) the number to be found not to be in breach of the Code and the reason(s);
- d) time taken to deal with complaints;
- e) details on monitoring activities;
- f) the number and type of sanctions imposed;
- g) the types of complaints lodged;
- h) the number and types of remedial actions recommended; and
- i) the number of referrals to regulatory authorities.



## **PUBLICITY**

- 1) The committee shall publicise the Code, its provisions and complaint handling provisions to both members and consumers.
- 2) The committee will ensure that all sectors of the furniture, furnishings and renovations industry are aware of the Code of Practice.
- 3) Any notice request or notification to be given under the Code may be sent by fax, mail or personal delivery. Such communication shall be effective only upon receipt and shall be deemed to have been received:
  - i) in the case of fax upon confirmed receipt by the sender
  - ii) in the case of mail after two days from posting; and
  - iii) in the case of personal delivery when delivered.

## **REVIEW, EVALUATION & ADMINISTRATION OF THE CODE & RULES**

- 1) The Code and its administration will be reviewed and evaluated by the committee at the end of each year of operation.
- 2) Comments may be sought from interested parties on the review and evaluation of the Code and on proposed amendments.