



**CaseTrust**

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26 September 2013

Circular to all Accredited Spa and Wellness Businesses

Dear Sir / Madam,

**COMPLIANCE OF THE SPA PROTECTION SCHEME**

CaseTrust would like to remind all Spa & Wellness accredited businesses that collect pre-payments to ensure that all its pre-paying customers are correctly covered under the Spa Protection Scheme according to CaseTrust criteria A7, B5, C5 (which is enclosed)

- Accredited business is to provide insurance coverage for each customer who made pre-payment including, but are not limited to packages, gift vouchers, and membership fee.
- Temporary insurance cover note is to be **issued upon** every pre-payment made.
- Accredited business is to accord a cooling-off period of at least 5 working days (exclusive of Saturdays, Sundays and Public Holidays) to allow customers to seek full refund of payment made if they do not wish to proceed with the services offered.
- Accredited business is to write in to CaseTrust department giving satisfactory explanation whenever there are no temporary insurance cover notes issued for 15 continuous calendar days.

Regular checks including mystery shopping will be conducted to ensure compliance. Companies found to have breached CaseTrust requirements would be subjected to disciplinary actions which include but are not limited to warnings, suspensions and/or expulsion.

Detailed criteria pertaining to protection of prepaid customers are enclosed.

Should you require further clarification, please call the CaseTrust Department at Tel: 6461 1800 or Email: casetrust@case.org.sg

Thank you.

Yours sincerely,

Lee Lup Poon  
Assistant Director, CaseTrust

ct/gwp/llp

Criteria	Desk-top Assessment	Site Assessment
<p>A7. My business has a policy to inform and cover customers with insurance upon the receipt of their pre-payments to my business.</p>	<p><input type="checkbox"/> My business has a policy to inform and to provide insurance coverage in order to protect customers who have made pre-payment to my business.</p> <p><input type="checkbox"/> Customers are given documentary proof of insurance coverage upon the making pre-payments to my business.</p> <p><u>Note to CaseTrust applicant</u></p> <ul style="list-style-type: none"> <li>• The insurance scheme should ensure that payout of balance amount is made in <b>cash/ cheque</b>.</li> <li>• Individual customers are to be protected and provided with the relevant documentation.</li> <li>• Definition of “Insolvency” or “Compulsory Liquidation” should state - The coverage will respond in the event where Insured is unable to fulfill its obligations to its customers for more than 30 days on a continuous basis and where it is evidenced that all physical functions of Insured organization has ceased for more than 30 working days.</li> </ul>	<p><input type="checkbox"/> The policy is clearly and prominently displayed in the store &amp; contracts/ communication materials.</p>
<p>B5. My business clearly indicates the details of the insurance available to protect the customers who have made pre-payments to my business.</p>	<p><input type="checkbox"/> Details of insurance undertaken are available to both customers and the public.</p>	<p><input type="checkbox"/> Customers and the public can easily find the details of the Protection Scheme(s) undertaken by the Spa.</p>
<p>C5. Proof of Protection</p> <p>My business has undertaken insurance for customers who have made pre-payments to my business.</p>	<p><input type="checkbox"/> My business maintains proper documentation of the Protection Scheme(s) undertaken, containing detailed information.</p> <p><input type="checkbox"/> My business maintains records of customers’ prepayments, keeps track of their utilization and ensures customers are duly protected under the Protection Scheme(s).</p> <p>Documents should include:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Master Insurance Agreement</li> <li>• Pay out will be administered in cash/ cheque</li> <li><input type="checkbox"/> Sample of Certificate of Insurance issued to customers</li> <li><input type="checkbox"/> Definition of “Insolvency” or “Compulsory Liquidation” - The coverage will respond in the event where Insured is unable to fulfill its obligations to its customers for more than 30 days on a continuous basis and where it is evidenced that all physical functions of Insured organization has ceased for more than 30 working days.</li> </ul> <p>The Certificate of Insurance should clearly state:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Name of Spa Company, the insured customer, and Insurer.</li> <li><input type="checkbox"/> Validity of coverage</li> <li><input type="checkbox"/> Value of coverage</li> </ul>	<p><input type="checkbox"/> The business complies with the necessary procedures and possesses documentation which is up to date and issued by the relevant Insurer.</p> <p><input type="checkbox"/> The business produces records of customers’ utilization of the prepayments and a master record of all customers’ prepayments protected under the Protection Scheme(s).</p> <p><input type="checkbox"/> The documentation clearly states the essential information.</p>