

Our Ref: PC 03-13

Date: 17 May 2013

Key Executive Officers

Dear Sir/Madam

Effective Date: 1 June 2013

**PRACTICE CIRCULAR (PC) 03-13: MANAGEMENT OF ADVERTISEMENT INFRINGEMENTS BY ESTATE AGENTS WITH MORE THAN 100 SALESPERSONS**

Under paragraph 4 (3) of the Code of Practice for Estate Agents ("COP"), estate agents are required to vet all publicity and advertising materials of their salespersons prior to publication. Upon receiving complaints, the estate agents are to observe the requirements of paragraph 6 the COP. Under para 6(1) of the COP, estate agents must have in place a system with suitable processes for the receipt and investigation of claims and complaints against the estate agent or any of their salespersons.

2. Pursuant to paragraph 6 (7) of the COP, CEA may request the estate agent for a report on the investigation of the case and details of such action as may have been taken by the estate agent and salesperson, and the outcome thereof.
3. From 1 June 2013 onwards, advertisements related infringements will be classified as Type A or Type B cases (Annex 1 and Annex 2).
4. CEA will pass Type A cases to estate agents with more than 100 salespersons (Annex 3). The EAs are to carry out their investigations and take action directly against their salespersons. For Type B cases, CEA will continue to investigate and take action.
5. CEA will continue to investigate and take action in both Type A and Type B cases for estate agents with 100 or less salespersons.

**Existing Procedure**

6. Currently, all advertisements related complaints are referred to estate agents for their investigation and to reply with a report within 14 days.

## **Enhanced Procedures**

7. For Type A cases, CEA will write to estate agent with more than 100 salespersons stating the infringement of the Code of Ethics and Professional Client Care ("COEPCC") and/or Practice Guidelines on Ethical Advertising, and inform the estate agent to investigate and take action against the salespersons. Estate Agent shall submit a report to CEA after they have completed the investigation. If an Advice was issued, the estate agent shall also submit a copy of the Advice to CEA. A sample format of the Advice which the EA can use is at Annex 4.

8. Estate Agents with more than 100 salespersons will be given 4 weeks to investigate and submit the a report together with the copy of the Advice to CEA.

9. If a salesperson is found to repeat the same offence or any other offences in his/her future advertisements, CEA will conduct investigation into the case.

## **Complaint Statistics**

10. Complaints of Type A referred to estate agents for action will not be counted as complaints logged against the estate agents in CEA's statistics. However, if an estate agent failed to take action which resulted in CEA having to take actions against the salesperson, the case will be counted as a complaint against the estate agent in CEA's statistics.

## **Compliance with Practice Circular**

11. Estate agents with more than 100 salespersons are required to comply with this Practice Circular with effect from 1 June 2013. They shall also manage and supervise their salespersons to ensure their compliance with this Practice Circular.

12. At any point in time, if an estate agent with more than 100 salespersons is assessed by CEA as not being able to manage Type A cases as spelt out in this Practice Circular, CEA will take over the handling of all the Type A cases, which will then be counted against the estate agent in CEA's statistics.

13. If you require any clarification, please call us at 1800-643-2555, or e-mail us at [feedback@cea.gov.sg](mailto:feedback@cea.gov.sg). Thank you.

Yours sincerely,

Yeap Soon Teck  
Deputy Director (Licensing)  
Council for Estate Agencies  
[This is a computer generated letter. No signature is required.]

## Annex 1 - Type A Advertisement Infringements

Type A advertisement infringements		Offence Type
Improper distribution of flyers (e.g. Doorsteps / iron grille gate/ Cars)		EAW 1S 5 / PG S4.1
Advertisements / flyers with missing information (e.g. company information, registration number of salesperson's name)		EAW 1S 12(2)
Making claims that cannot be substantiated or using business names /titles that cannot be substantiated (eg. claim of expertise/specialist/king)		EAW 12(4)(a)/12(4)(b)
No approval from relevant authorities	Banner/outdoor advertisement	EAW 1S 4(e)/5
	Ad-hoc Roadshows at Public places (MRT, shopping malls)	EAW 1S 4(e)/5
	Set up tentages by the roadside (e.g. at new development projects) /standing at roadside to distribute flyers to vehicles	EAW 1S 4(e)/5
Telephone number in advertisements not registered with CEA		EAW 1S 12(2)
Cold calls, SPAM emails/SMS		PG EAW 4(2)(a)
Failure to remove advertisement after property is no longer available for sale		CEPCC 12(4)(h)
Recruitment infringements by salespersons (e.g. offer freebies, distribute brochures/name cards outside RES exam centre)		LC16/11, EAW 4(2)(a), EAW 7 (1)
Advertisement by salespersons offering discount/cash voucher		LC9/12, EAW 4(2)(a)
Inaccurate information by salespersons on training seminars		EAW 12(4)(a)

## Annex 2 - Type B Advertisement Infringements

Type B advertisement infringements	Offence Type
Industrial property marketed as office/commercial use	EAW 12(4)(b)
Advertisement without owner's consent/ Dummy Ad / Copied Ad	EAW 12(4)(d) / EAW 4(2)(a) /PG 3.8 / PG 3.9
Misrepresentation (e.g. floor area, floor level)	EAW 1S6(2)(b)/6(4)(b)(c)
Use of CEA's logo without permission	EAW 8(1)(a)
No co-broke, no agents, tenants only, buyers only etc.	EAW 1S 6(3), PG 3.7
Advertisement by estate agent offering discount/cash voucher	LC9/12, EAW 4(2)(a)
Recruitment infringement committed by estate agent ( e.g. advertisement on newspaper)	LC16/11 EAW 4(2)(a)
Advert on marketing of a property/premises by a person/individual who are not licensed.	EAA S 28(2), EAA S 29(3)
Advert on public launches/road show/seminar but suspect unethical practices (jump queue, poaching, etc) by EA/SLS at the launches/road show/seminar	LC16/11, EAW 4(2)(a)
Advertisement by developer which does not have the details of the marketing Estate Agent (eg. missing license number)	EAW 1S 12(2)
Foreign property adverts by estate agents/ salespersons which contains unsubstantiated information i.e. unknown source, claims, guarantees	EAW 12(4)(a)/12(4)(b)
Any other advertisement breaches or new trends not covered under Type A	EAA, EAW and LCs

### Annex 3 - Estate Agents with more than 100 salespersons

S/N	Estate Agent Licence No.	Estate Agent Name
1	L3002382K	ERA REALTY NETWORK PTE LTD
2	L3008022J	PROPnex REALTY PTE LTD
3	L3008899K	HUTTONS ASIA PTE LTD
4	L3009250K	<a href="http://ORANGETEE.COM">ORANGETEE.COM</a> PTE LTD
5	L3007960A	DTZ PROPERTY NETWORK PTE LTD
6	L3002226G	HSR INTERNATIONAL REALTORS PTE LTD
7	L3005183F	DENNIS WEE REALTY PTE LTD
8	L3008430D	KF PROPERTY NETWORK PTE LTD
9	L3007487F	SAVILLS RESIDENTIAL PTE LTD
10	L3009861F	GLOBAL PROPERTY STRATEGIC ALLIANCE PTE. LTD.
11	L3010008E	CBRE REALTY ASSOCIATES PTE LTD
12	L3009759F	ECG PROPERTY PTE. LTD.
13	L3007139C	C & H PROPERTIES PTE LTD
14	L3006259E	DISTRICT 65 PTE LTD
15	L3009793I	SLP REALTY PTE. LTD.
16	L3010359I	JONES LANG LASALLE RESIDENTIAL PTE. LTD.
17	L3009186E	MINDLINK GROUPS PTE LTD
18	L3009026J	REA REALTY NETWORK PTE LTD
19	L3009636J	REAL CENTRE GROUP PTE. LTD.
20	L3007326E	JONES LANG LASALLE PROPERTY CONSULTANTS PTE LTD

**Annex 4 - Sample Advice to Salespersons**

Reference No. : \_\_\_\_\_

Date: \_\_\_\_\_

Mr / Ms \_\_\_\_\_

\_\_\_\_\_ [Address]

Singapore \_\_\_\_\_

Dear Mr / Ms \_\_\_\_\_ ( Salesperson Registration No)

**ADVERTISEMENT INFRINGEMENTS OF THE CODE OF ETHICS AND PROFESSIONAL CLIENT CARE AND/OR THE PRACTICE GUIDELINES ON ETHICAL ADVERTISING**

A complaint was received against you on [Date] for the following advertisement infringements:

\_\_\_\_\_  
\_\_\_\_\_ [state the allegation]

2. It was established that you have

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ [describe the infringement]

3. By doing so, you have breached paragraph \_\_\_ of the Practice Guidelines on Ethical Advertising and / or paragraph \_\_\_ of the Code of Ethics and Professional Client Care as set out in the First Schedule of the Estate Agents (Estate Agency Work) Regulations 2010.

4. You are reminded to keep yourself fully conversant and comply with the duties in respect of advertisements as stipulated in the Code of Ethics and Professional Client Care and the Practice Guidelines on Ethical Advertising.

5. You are advised not to repeat such conduct in future. If you repeat such conduct or breach the Estate Agents Act and/or Regulations in future, you will be liable to more severe action by the Council for Estate Agencies.

6. Please acknowledge receipt of this Advice by signing and returning a duplicate of this letter.

\_\_\_\_\_ [signature of KEO]

Mr / Ms xxxxxx

KEO

Xxx xxx [Name of Estate Agent]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I, \_\_\_\_\_ (Registration No. \_\_\_\_\_) acknowledge receipt of the above Advice, a copy of which will be filed in CEA's records.

\_\_\_\_\_  
Signature

Registration No:

Date: