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DISTRICT JUDGE
SIA AIK KOR
25 NOVEMBER 2025

IN THE STATE COURTS OF THE REPUBLIC OF SINGAPORE

[2025] SGMC 72

Magistrate's Court Originating Claim No 9146 of 2024

Between

Federal Fire Engineering Pte Ltd

… *Claimant*

And

(1) Eigen E&C Pte. Ltd.
(2) Eigen Energy Pte. Ltd.

… *Defendants*

Counterclaim of Second Defendant

Between

Eigen Energy Pte. Ltd.

… *Claimant in Counterclaim*

And

Federal Fire Engineering Pte Ltd

… *Defendant in Counterclaim*

JUDGMENT

[Tort] — [Negligence] — [Duty of care] — [Whether defendant ought to know the extent of damage incurred in order to establish factual foreseeability]
[Tort] — [Negligence] — [Duty of care] — [Whether there was sufficient legal proximity]
[Tort] — [Negligence] — [Breach of duty]

TABLE OF CONTENTS

THE CLAIMANT'S CLAIM 1

THE FIRST DEFENDANT'S DEFENCE 2

THE SECOND DEFENDANT'S DEFENCE 2

THE SECOND DEFENDANT'S COUNTERCLAIM 3

THE CLAIMANT'S DEFENCE TO THE COUNTERCLAIM 4

ISSUES 5

HOW DID THE AEROSOL AGENT COME TO BE DISCHARGED INSIDE THE BESS UNIT 6

EVIDENCE OF FIRDAUZ 6

EVIDENCE OF NICK 7

EVIDENCE OF ASYRAF 9

MY FINDINGS 10

WAS THERE A FUNDAMENTAL BREACH 10

DID THE CLAIMANT'S ENGINEER OWE A DUTY OF CARE TO THE SECOND DEFENDANT 14

LEGAL PRINCIPLES 14

FACTUAL FORESEEABILITY 15

PROXIMITY 17

MILITATING POLICY REASONS 20

DID THE CLAIMANT'S ENGINEER BREACH THE DUTY OF CARE 20

Version No 1: 25 Nov 2025 (14:21 hrs)

WAS THE CLAIMANT VICARIOUSLY RESPONSIBLE FOR SUCH BREACH.....23

DID THE SECOND DEFENDANT HAVE TO PROVE ACTUAL LOSS AT THIS STAGE.....24

SUMMARY 26

Version No 1: 25 Nov 2025 (14:21 hrs)

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Federal Fire Engineering Pte Ltd
v
Eigen E&C Pte. Ltd. and another

[2025] SGMC 72

Magistrate's Court Originating Claim No 9146 of 2024
District Judge Sia Aik Kor
1 July, 5 September, 14 November 2025

25 November 2025 Judgment reserved.

District Judge Sia Aik Kor:

1 Federal Fire Engineering Pte Ltd ("the Claimant"), Eigen E&C Pte. Ltd. (the "First Defendant") and Eigen Energy Pte. Ltd. (the "Second Defendant") are companies incorporated in Singapore. The Claimant claims against the First Defendant and the Second Defendant in contract and the Second Defendant claims against the Claimant in the tort of negligence.

The Claimant's claim

2 On 6 March 2024, the First Defendant issued a written purchase order dated 6 March 2024 to the Claimant to provide an engineer for the retesting and commissioning of a FirePro Aerosol system at Shell RISES for the sum of $545 inclusive of GST ("1st Contract").

3 On 5 June 2024, the Second Defendant issued a written purchase order dated 5 June 2024 to the Claimant to provide an engineer to carry out

reconfiguration, testing and commissioning of a FirePro panel for Shell Lakeview and Pasir Ris for the sum of $1,090 inclusive of GST ("2nd Contract").

4 The Claimant completed its work as required under the 1st Contract and issued its invoice to the First Defendant for the sum of $545 on 27 June 2024. On the same day, the Claimant issued its invoice to the Second Defendant for the sum of $1,090.

5 The Claimant claimed that it completed its work as required by the Defendants' purchase orders and the contractual sums were due and payable. It was an implied term of the 1st Contract and 2nd Contract that payment would be made within a reasonable period of time, which the Claimant averred would be one month.

The First Defendant's defence

6 The First Defendant did not contest the Claimant's claim and made payment of the sum of $545 to the Claimant on 18 October 2024, shortly after the statement of claim dated 10 October 2024.

The Second Defendant's defence

7 The Second Defendant has entered into a project agreement with Shell Eastern Petroleum (Pte) Ltd ("Shell") for the Second Defendant to provide integrated smart energy management systems at three Shell service stations (i.e. Shell Lakeview, Shell Tampines and Shell Pasir Ris) to enable fast electrical vehicle charging. As part of its obligations under the agreement, the Second Defendant is to provide and install containerised lithium-ion battery energy storage systems ("BESS") at the Shell service stations. The Second Defendant purchased the BESS units from the vendor, Rolls-Royce Solutions GmbH

Version No 1: 25 Nov 2025 (14:21 hrs)

("Rolls-Royce") and customised the units to meet their specific requirements. The Claimant is the authorised distributor of the fire protection system installed on the BESS units. The Second Defendant therefore engaged the Claimant at different points in time to provide various services in relation to the fire alarm systems in the BESS units.

8 The Second Defendant claimed that the Claimant did not conduct tests of the FirePro panels (including a fire alarm test) in a safe and proper manner when it carried out the works at Shell Pasir Ris on 7 June 2024. In particular, the Claimant failed to ensure that the aerosol fire suppression system (which contained a fire extinguishing aerosol) was physically disconnected from the system and that the extinguishant disable switch was turned on before conducting the fire alarm test. As a result, the aerosol agent was discharged inside the BESS unit during the fire alarm test and caused significant damage to the BESS unit. The Second Defendant alleged that the Claimant had committed a fundamental breach of the 2nd Contract and is therefore not entitled to the invoiced amount.

The Second Defendant's counterclaim

9 The Second Defendant averred that the Claimant's engineer was negligent and failed to carry out his work with due care and skill by failing to

(a) ensure that the aerosol fire suppression system was physically disconnected from the system and/or fire alarm panel;

(b) ensure that the extinguishant disable switch was turned off before the fire alarm test was conducted;

Version No 1: 25 Nov 2025 (14:21 hrs)

(c) ensure that the fire extinguishing aerosol would not be discharged within the BESS unit when the fire alarm test was being conducted;

(d) ensure that the fire alarm test was conducted in a safe and proper manner and/or without damaging the BESS unit; and

(e) take reasonable care in the circumstances.

10 The Claimant is vicariously liable for its engineer's negligent act. As a result of the negligence, the BESS unit was severely damaged. The discharge of the fire extinguishing aerosol within the BESS unit caused the insulation layer of the direct current ("DC") sub-system to be damaged. The insulation of the DC sub-system was detected to be below the permissible threshold requirements and a fault alarm was triggered, causing the failure of the operation of the BESS. The Second Defendant claims damages to be assessed for the replacement cost and modification cost of the BESS unit or alternatively the repair cost of the BESS unit and the reinstatement cost of the fire protection system in the BESS unit.

The Claimant's defence to the counterclaim

11 The Claimant takes the position that the work was carried out pursuant to the 2nd Contract and denies being liable in tort for any negligence in carrying the work.

12 The Claimant claimed that at Pasir Ris, the Shell representative wanted to carry out the test without disconnecting the aerosol fire suppression system. As the representative of the Second Defendant did not object to this instruction and also agreed to proceed as directed by the Shell representative, the test was carried out in accordance with the instructions of the Shell representative.

Version No 1: 25 Nov 2025 (14:21 hrs)

Similarly, it was the Shell representative, with the agreement of the Second Defendant's representative, who wanted to carry out the fire alarm test without turning off the extinguishment disable switch. The aerosol fire suppression system was designed to be discharged inside the BESS in the event of a fire without causing damage to the BESS.

Issues

13 The parties had agreed at the case conferences on 3 March 2025 and 15 April 2025 that proceedings would be bifurcated and that the first tranche would be on responsibility for the incident[1]. The parties proceeded to file their affidavits of evidence-in-chief on that basis. As such, the following issues arise for determination in this tranche:

(a) How did the aerosol agent come to be discharged inside the BESS unit during the fire alarm test at Shell Pasir Ris?

(b) Did the Claimant commit a fundamental breach of the 2nd Contract?

(c) Did the Claimant's engineer owe the Second Defendant a duty of care?

(d) Did the Claimant's engineer breach the duty of care?

(e) Was the Claimant vicariously responsible for such breach?

As the Claimant also argued that the Second Defendant has failed to show that the BESS was destroyed or damaged which is fatal to the counterclaim, this issue is also dealt with.

[1] Notes of Evidence ("NE"), 15 April 2025, 7E – 8A

Version No 1: 25 Nov 2025 (14:21 hrs)

How did the aerosol agent come to be discharged inside the BESS unit

14 Muhammad Firdauz bin Abdul Rahman ("Firdauz") was the engineer employed by the Claimant and who attended at Pasir Ris on 7 June 2024. Asyraf Mustafa ("Asyraf"), project engineer for the First Defendant, Sim Yong Hua Kevin ("Kevin"), a director of the First and Second Defendants, and Tan Wei Yong ("Nick"), a project manager at Shell Singapore Pte Ltd were also on site but Kevin was not involved in the test after he connected Firdauz with Nick[2].

Evidence of Firdauz

15 Firdauz claimed that he had turned on the extinguishant disablement switch and was about to activate the smoke detector when Nick stopped him and wanted to see the trouble status on the FirePro panel and the petrol station panel. Firdauz therefore removed the smoke detector. In order for the trouble status to light up, he had to turn off the extinguishant disablement switch. The trouble status light then lit up on both panels and Nick told him to put back the smoke detector[3]. He then proceeded with the smoke detector activation test. At the first stage, the fire alarm bell was observed. Nick then told him to activate the heat detector test, which would activate the second stage fire alarm which would lead to the discharge of the extinguishant aerosol as the system was in a normalised state. According to Firdauz, Asyraf was aware that the system was in a normalised state but neither Asyraf nor Kevin intervened to override Nick's direction. The second stage fire alarm sound was observed and the 30 seconds

[2] Kevin's Affidavit of Evidence-in-Chief ("AEIC") at [13]

[3] Firdauz's AEIC at [7]

Version No 1: 25 Nov 2025 (14:21 hrs)

delay timer started to count down after which the extinguishant was discharged into the BESS[4].

16 On the stand, Firdauz admitted that while Nick had told him to normalise the system such that both panels were showing the green LED light before removing the smoke detector, Nick did not tell him to turn off the extinguishant disablement switch[5] and had relied on him, as the expert of the FirePro system to do whatever was required to show Nick the trouble status on the FirePro panel[6]. He was told to normalise the system and in order to do that, he needed to switch off the extinguishant disablement switch[7]. Nick did not explicitly tell him to turn off the extinguishant disablement switch and he did not ask Nick if Nick wanted a live discharge[8]. Firdauz agreed that it was never Shell's instructions to conduct a live discharge[9]. Firdauz was given the impression that Nick knew how the system works and was technically competent. Firdauz claimed that Nick asked him to continue with the test after the system was normalised and he assumed that Nick did not want to re-disable the system and believed that Nick wanted a live discharge[10].

Evidence of Nick

17 Nick agreed that he wanted to remove the smoke detector to see if the "Trouble" status on the FirePro panel and the petrol station fire alarm panel

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[4] Firdauz's AEIC at [8]

[5] NE, 1 July 2025, 51/13-15

[6] NE, 1 July 2025, 51/5-8

[7] NE, 1 July 2025, 51/9-12, 53/19-20, 26-32

[8] NE, 1 July 2025, 52/1-6

[9] NE, 1 July 2025, 55/2-4

[10] NE, 1 July 2025, 55/14-23

Version No 1: 25 Nov 2025 (14:21 hrs)

cleared first[11]. Firdauz had told him that he would have to normalise the system in order for Nick to see the orange LED light[12]. Nick was not sure whether all the fault lights would be cleared simply by turning off the aerosol suppression as he did not represent the Claimant[13]. After Firdauz removed the smoke detector and simulated the fault[14], he informed Firdauz that they can proceed to do the test[15]. He did not tell Firdauz to turn on the switch to disable the extinguishant as he does not give specific instructions to the vendor as to what the vendor is supposed to do within its scope[16]. After the smoke detector was put back, the orange light was not lit[17].

18 According to Nick, the aerosol was released during the second test for the second compartment[18] during the smoke detector test[19]. Nick disagreed that he had taken charge of the test by asking Firdauz to simulate a fault for the removal of the smoke detector[20]. He disagreed that he had instructed Firdauz to proceed with the test after seeing that the orange light was not lit and that the system was in a normalised state and that the extinguishant had not been

[11] NE, 5 September 2025, 12/1-7

[12] NE, 5 September 2025, 14/7-12

[13] NE, 5 September 2025, 14/26-29

[14] NE, 5 September 2025, 15/13-14

[15] NE, 5 September 2025, 16/8-10

[16] NE, 5 September 2025, 16/16-21

[17] NE, 5 September 2025, 19/1-3

[18] NE, 5 September 2025, 25/1-4

[19] NE, 5 September 2025, 27/12-23, 28/9-12

[20] NE, 5 September 2025, 28/31 – 29/3

Version No 1: 25 Nov 2025 (14:21 hrs)

disabled[21]. Nick disagreed that the aerosol discharge was due to his intention to have a live discharge[22].

Evidence of Asyraf

19 It was not disputed by Firdauz that Asyraf was at the building fire alarm panel at the petrol station (location D) to help Firdauz to press the orange button at the main alarm panel to silence the bell as well as the yellow button to silence the beeping sound[23].

20 Asyraf agreed that Firdauz was about to carry out the smoke detector test when Nick told him to stop and that he wanted the smoke detector removed first before the test[24]. Firdauz told Nick that he would have to normalise the system first and Nick agreed with Firdauz to normalise the system[25]. Asyraf was not aware of what Firdauz did at the BESS unit as he was at the building fire alarm panel at location D to press the yellow button to silence the alarm as well as the red button to stop the alarm going off around the petrol station[26]. Asyraf testified that he would not have seen the orange LED light lighted up[27]. This meant that the aerosol was connected. Asyraf did not inform Firdauz or Nick that the aerosol was connected because the communication was between Firdauz and Nick and he was not sure if Nick wanted it to be discharged[28]. His

[21] NE, 5 September 2025, 29/16-31

[22] NE, 5 September 2025, 30/1-2

[23] NE, 1 July 2025, 45/8 – 46/2

[24] NE, 1 July 2025, 85/30 – 86/3

[25] NE, 1 July 2025, 86/13-22

[26] NE, 1 July 2025, 86/26 – 87/26

[27] NE, 1 July 2025, 87/31 – 88/3

[28] NE, 1 July 2025, 88/19-29

Version No 1: 25 Nov 2025 (14:21 hrs)

responsibility was to help them silence the panel at location D[29]. He had left to go to location D after step 1.3 of the checklist which was to check that the aerosol generator was disabled or not connected[30]. Asyraf testified that it was not in his knowledge at that time that the aerosol was connected and would discharge if the test continued[31]. He did not observe that the orange light was not lit because the communications and instructions were given from Nick to Firdauz[32].

My findings

21 Based on the evidence, Firdauz had turned off the extinguishant disablement switch in order for Nick to observe the trouble status on the FirePro panel and the petrol station panel when the smoke detector was removed. After the smoke detector was reinstated, the extinguishant disablement switch was not turned on subsequently to disable or disconnect the aerosol discharge system. As such, the extinguishant aerosol was discharged when the fire alarm tests continued.

Was there a fundamental breach

22 It is the Claimant's pleaded case that under the 2nd Contract, the Claimant is supposed to provide an engineer to carry out reconfiguration, testing and commissioning of a FirePro panel for Shell Lakeview and Pasir Ris. The check list used during the test at Pasir Ris was entitled a testing and commissioning checklist. It is not disputed that the checklist used did not

[29] NE, 1 July 2025, 89/1-3

[30] NE, 1 July 2025, 96/28-30

[31] NE, 1 July 2025, 90/21-24

[32] NE, 1 July 2025, 91/30 – 92/2

Version No 1: 25 Nov 2025 (14:21 hrs)

envisage a live discharge of the extinguishant. As the Claimant's director, Quek Cheng Hock ("Quek") testified, clients who wish to see the full complete test of a system may choose to carry out live discharge testing[33]. However, they would typically make such a request at the onset and the Claimant would propose a different procedure and checklist[34]. In a live discharge checklist, the extinguisher will not be disabled in the pre-test check. The fault tests on the devices in section 6 of the checklist will be brought forward to see if the panels are able to pick up the fact that the devices are faulty or removed. Only when this is satisfactorily done would the test proceed to the alarm stages which would lead to the actual discharge. This is because once the aerosol discharges, one would not be able to proceed with the fault tests[35].

23 In the present case, the discharge of the aerosol into the BESS unit was not part of the test. On the stand, Firdauz admitted that Shell did not instruct him to conduct a live discharge[36] and he had assumed after he was told to continue with the test that Nick did not want to re-disable the system and wanted to do a discharge[37]. However, Nick denied that he wanted a live discharge[38] and gave evidence that Firdauz admitted to Nick after the discharge that he had forgotten to isolate the system by disconnecting the aerosol generator[39].

24 I accepted Nick's evidence in this regard. There was no reason for Firdauz to assume, simply from Nick's instruction to continue with the test, that

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[33] NE, 1 July 2025, 33/1-5

[34] NE, 1 July 2025, 33/6-19

[35] NE, 1 July 2025, 38/12-27

[36] NE, 5 September 2025, 55/2-4

[37] NE, 5 September 2025, 55/14-23

[38] NE, 5 September 2025, 28/25-30, 30/1-2

[39] NE, 5 September 2025, 4/2-5

Version No 1: 25 Nov 2025 (14:21 hrs)

a live discharge test was asked for. As Firdauz admitted on the stand, he was simply told by Nick to normalise the system before the smoke detector was removed and Nick did not tell him to turn off the extinguishant disablement switch. Firdauz was a trained engineer, the services of which the Second Defendant had purchased to reconfigure the FirePro Panel. He, and not Nick, is the party who possesses specialised knowledge of the FirePro system, for which the Claimant is the sole authorised distributor. There is no reason to assume that Nick would know that normalising the system would entail turning off the extinguishant disablement switch. There was also no reason to assume, after the fault status have been tested and the smoke detector reinstated, that Nick knew that the aerosol generator was connected and intended, by simply telling Firdauz to continue with the test, to change the test to one involving a live-discharge. As Firdauz testified, he did not ask Nick if Nick wanted a live discharge[40] to validate his assumption. Given the difference between the two tests, one of which would entail additional costs of replacing the aerosol extinguishant, one would expect Firdauz to verify if Nick, Asyraf or Kevin wanted a different test from what was originally envisaged. The absence of such verification made it more probable than not that Firdauz had simply forgotten to ensure that the extinguishant generator was disabled after he had accommodated Nick's request to see the fault status, reinstated the smoke detector and before he resumed the test.

25 Although the checklist was signed after the incident, Kevin sent Quek and Firdauz an email that evening on 7 June 2024, copying Asyraf and one Solomon Lister Ercia from Rolls-Royce, asking Firdauz to provide an incident report for the Second Defendant's follow-up. Firdauz provided the report on 11 June 2024, following which Kevin informed Firdauz that they will need to claim

[40] NE, 1 July 2025, 52/1-6

Version No 1: 25 Nov 2025 (14:21 hrs)

on the Claimant's public liability insurance and requested that the Claimant initiate the process for their insurer to evaluate the loss. The Claimant replied on 13 June 2024, claiming that the works have been completed and they would be sending the invoice and that the Second Defendant's statement on claims and liabilities were out of scope[41].

26 It is clear from the need of an incident report that the testing did not go as planned and the discharge of the aerosol was unexpected. It was also clear from Quek's evidence that the Second Defendant subsequently had difficulty replacing the aerosol canisters as the Claimant was the sole distributor of FirePro systems and had avoided interaction with them given the Second Defendant's claim[42]. The FirePro generators were only replaced sometime around 20 December 2024 when Quek claimed that Asyraf had contacted Firdauz to inform him that they had managed to procure the replacement FirePro generators from Thailand and that Shell wanted a retest after the discharged units had been replaced[43].

27 It is clear from the chain of events above that, despite Nick and the Second Defendant signing off on the checklist, the test did not go as planned, the aerosol was accidentally discharged and that the FirePro Panel was not commissioned, especially since the aerosol canisters were not replaced until 20 December 2024. There is also evidence from Asyraf[44], Kevin[45] and Nick[46] that the BESS was damaged following the discharge of the aerosol. Given that the

[41] Firdauz's AEIC at pages 12-14

[42] NE, 28 July 2025, 28/24-27

[43] Quek's AEIC at [25] – [28]

[44] Asyraf's AEIC at [8]

[45] Kevin's AEIC at [18]

[46] NE, 5 September 2025, 4/9-11

Version No 1: 25 Nov 2025 (14:21 hrs)

objective of the 2nd Contract is to achieve a commissioned reconfigured FirePro Panel which was not fulfilled, I find that the Claimant had failed to fulfil a fundamental aspect of the 2nd Contract and the Second Defendant was entitled not to pay the Claimant.

Did the Claimant's engineer owe a duty of care to the Second Defendant

Legal Principles

28 In *Spandeck Engineering (S) Pte Ltd v Defence Science & Technology Agency* [2007] 4 SLR(R) 100 at [75] – [86], the Court held that to establish a duty of care, a claimant must establish the threshold issue of factual foreseeability and the two-stage test of proximity and policy considerations. In other words, there is a threshold question of whether the defendant ought to have known that the claimant would suffer damage from the defendant's carelessness. If this is satisfied, the first stage of the test to be applied is that of proximity, i.e. that there must be sufficient legal proximity between the claimant and the defendant for a duty to arise. Assuming a positive answer to the preliminary question of factual foreseeability and the first stage of the legal proximity test, a *prima facie* duty of care arises. Policy considerations should then be applied to the factual matrix to determine whether or not to negate this duty.

29 In *NTUC Foodfare Co-operative Ltd v SIA Engineering Co Ltd & anor* [2018] 2 SLR 588 at [41], the Court of Appeal emphasized that there may be sufficient legal proximity between the parties even if the defendant does not voluntarily assume responsibility to the plaintiff and the latter does not specifically rely on the former not to cause it loss. The assumption of responsibility or specific reliance are neither essential nor inflexible conditions for the requirement of proximity to be fulfilled in cases of pure economic loss.

Version No 1: 25 Nov 2025 (14:21 hrs)

30 In *Animal Concerns Research & Education Society v Tan Boon Kwee* [2011] 2 SLR 146 ("*ACRES*"), it was held at [71] that the mere fact that there is a pre-existing contractual relationship or backdrop between the parties should not, in itself, be sufficient to exclude a duty of care on one of them to avoid causing pure economic loss to the other. The true principle, in determining whether or not any contractual arrangement has this effect, should be whether or not the parties structured their contracts intending thereby to exclude the imposition of a tortious duty of care.

Factual Foreseeability

31 In the present case, the Claimant argued that the threshold question of factual foreseeability had not been crossed for the following reasons:

(a) The Second Defendant has not called an expert witness to show that the discharge of aerosol inside the BESS could lead to its destruction;

(b) Rolls-Royce did not inform Kevin that the BESS unit could be destroyed with an aerosol discharge[47];

(c) The letter from Rolls-Royce[48] was hearsay evidence, as the maker of the letter had not been called;

(d) Kevin admitted that Rolls-Royce did not inspect the BESS[49] and that he was not satisfied with the explanation given by Rolls-

[47] NE, 1 July 2025, 63/28-30

[48] ABD 26

[49] NE, 1 July 2025, 65/28-30

Version No 1: 25 Nov 2025 (14:21 hrs)

> Royce that it was not in the normal course of operations for the discharge to happen and that it voided the warranty[50].

32 I do not accept the Claimant's arguments and am of the view that the threshold question of factual foreseeability has been crossed. Given that the trial was bifurcated, it was not necessary to show the extent of damage actually incurred or that Firdauz ought to know the extent of damage actually incurred in order to establish the threshold question. The extent of damage caused is a question better left to the assessment of damages, if that should arise. All that is needed at this stage is to show that Firdauz ought to have known that if he was careless, he might cause loss to the Second Defendant. As the High Court held in *Resource Piling Pte Ltd v Geospecs Pte Ltd* [2014] 1 SLR 485 at [23], the foreseeability threshold merely requires that the defendant ought to broadly know that persons in the position of the plaintiff would suffer harm or damage from the defendant's carelessness – this involves the establishment of a factual foundation upon which legal proximity can be founded but does not require the defendant to foresee the precise harm or manner in which the loss was suffered.

33 In the present case, the fire protection system was installed on the BESS units. It was reasonably foreseeable that if Firdauz did not take care in carrying out the tests or reconfiguring the panel and discharged the aerosol in the BESS, there would be damage to the BESS and the Second Defendant would suffer loss or damage. As such, the threshold question of factual foreseeability was established.

34 In this regard, I note that the Claimant's argument is that the operation of the fire suppression system is not intended to harm the asset that it is designed

[50] NE, 1 July 2025, 64/25 - 65/3

Version No 1: 25 Nov 2025 (14:21 hrs)

to protect. However, the analogy may not be applicable, given that an airbag, when deployed, may split the centre panel of the steering wheel and damage the asset containing the airbag. In any event, I do not think such a general proposition is capable of extension to the present case. As both Quek[51] and Firdauz[52] testified, there were no live discharge tests conducted on other BESS units that were not manufactured by Rolls-Royce. There was therefore no basis for making the general proposition in the first place. As a discharge of aerosol would not occur in the normal course of operations, it is reasonably foreseeable that such a discharge on or within an asset is likely to damage the asset. In the circumstances, I am of the view that it is reasonably foreseeable that a discharge of aerosol within the BESS unit would cause damage to the BESS unit.

Proximity

35 The Claimant also argued that the Second Defendant failed to show that there was an assumption of responsibility by the Claimant not to cause destruction to the BESS unit because

(a) The Second Defendant did not know that the BESS unit would be destroyed if there was an aerosol discharge;

(b) There was no communication of such danger to the Claimant; and

(c) The Claimant did not know about the Second Defendant's reliance on the Claimant.

[51] NE, 1 July 2025, 11/9-11

[52] NE, 1 July 2025, 52/10-11

Version No 1: 25 Nov 2025 (14:21 hrs)

36 In particular, the Claimant argued that the FirePro fire suppression system was installed by Rolls-Royce and Rolls-Royce did not inform the Second Defendant that the BESS would be destroyed with an aerosol discharge[53]. If the BESS would be destroyed or damaged from the discharge of the aerosol, this would have been unique to the BESS but the Second Defendant failed to put the Claimant on notice that the BESS had to be protected from damage. The Claimant was unaware that the Second Defendant was relying on the Claimant to protect the BESS from destruction. It was never put to the Claimant's witnesses that the Claimant was aware of the delicate nature of the BESS. The Second Defendant had not informed the Claimant about the need to protect the BESS from accidental aerosol discharge. It was illogical that the discharge of aerosol spray could damage the BESS. Had the Second Defendant informed the Claimant of the danger caused by an aerosol discharge, the parties could have come up with a procedure that had very stringent steps to prevent a discharge and the presence of additional personnel to ensure compliance with the stricter protocols.

37 I did not accept the Claimant's arguments. I had earlier found that it was reasonably foreseeable that an aerosol discharge would damage the BESS. The need to protect the BESS unit from damage never came up for discussion between the parties because it was not envisaged that there would be an aerosol discharge in the first place or that the reconfiguration of the panel or the testing or commissioning would entail damage to the BESS unit. As Quek testified, there were no live discharge tests conducted on other BESS units that were not manufactured by Rolls-Royce. There is no requirement that the victim of a tort has to be aware of the extent of harm that can result from a tort and communicate this to the tortfeasor in order for a duty of care to arise.

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[53] NE, 1 July 2025, 63/22-25, 28-30

Version No 1: 25 Nov 2025 (14:21 hrs)

38 I also reject the Claimant's arguments that they did not know about the Second Defendant's reliance on their skills and expertise. The Claimant was the sole authorised distributor of the FirePro fire protection system installed on the BESS units and knowledge of the FirePro panel would be unique to the Claimant[54]. As Quek testified, the Claimant had proposed the procedures for the testing and commission which should be carried out, as is the typical practice[55]. The Second Defendant had engaged the services of an engineer to reconfigure the panel and was clearly relying on the expertise of Firdauz as an engineer in reconfiguring, testing and commissioning the panel. As Firdauz testified, he accepted that because he was the expert of the FirePro system, Nick had relied on him to do whatever he was required to do to demonstrate the trouble status on the FirePro panel[56].

39 In the present case, there was sufficient physical proximity between the property of the Second Defendant and Firdauz when Firdauz was conducting the fire alarm test. There was circumstantial proximity between Firdauz and the Second Defendant given that Firdauz was the assigned engineer who had expertise on the FirePro system on which the Second Defendant was entitled to rely pursuant to the 2nd Contract. There was also causal proximity in that there was a close causal connection or relationship between the conduct of the fire alarm test and the damage to the BESS. In performing the 2nd Contract, Firdauz had assumed the responsibility of exercising the functions of an engineer with specialised expertise in the FirePro system. He must have known that if he were careless, he could cause damage to the Second Defendant's property. The Second Defendant had relied on or depended on the careful performance by

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[54] NE, 1 July 2025, 14/1-8

[55] Quek's AEIC at [11] & [19]

[56] NE, 1 July 2025, 51/5-8

Version No 1: 25 Nov 2025 (14:21 hrs)

Firdauz in carrying out the fire alarm test in circumstances where Firdauz knew or ought to know of such reliance. In the circumstances, I am of the view that the proximity test is satisfied.

Militating Policy Reasons

40 The Claimant did not point to any policy reasons militating against the imposition of a duty of care.

41 As held in *ACRES*, the mere fact that there is a pre-existing contractual relationship between the Claimant and the Second Defendant is not sufficient in and of itself to exclude a duty of case on the Claimant to avoid causing pure economic loss to the other. In the present case, there is nothing in the contractual arrangement between the parties to indicate that they had intended to exclude the imposition of a tortious duty of care.

42 In the circumstances, Firdauz owes a duty of care to the Second Defendant to take reasonable care in carrying out the test.

Did the Claimant's engineer breach the duty of care

43 The Claimant argued that Firdauz did not breach the duty of care because Nick did not tell Firdauz to disable the extinguishant before telling Firdauz to proceed with the test. Asyraf was also aware that the system was in a normalised state but did not intervene to override Nick's direction. As neither Kevin nor Asyraf, the Second Defendant's representatives, played any active role in the supervision of the test and abdicated this role to Nick, Firdauz was obligated to follow any instructions that Nick gave him.

44 It is not disputed that Nick had intervened in the standard testing process by wanting to see the fault status when the smoke detector is removed. However,

Version No 1: 25 Nov 2025 (14:21 hrs)

Nick had left Firdauz to do what was necessary to normalise the system for the fault status to be reflected. Nick gave evidence that he did not know what Firdauz did to normalise the system[57]. Hence, there was no indication that Nick knew that the extinguishant had been reconnected to the system before he instructed Firdauz to carry on with the test.

45 In this regard, the Claimant argued that Nick would have seen that there were no orange LED fault lights at the panel and would have inferred from the same that the extinguishant had been reconnected to the system. His failure to instruct Firdauz to turn on the extinguishant disablement switch before instructing Firdauz to carry on with the test could therefore be taken to be an instruction to carry on with a live discharge test.

46 Similarly, the Claimant argued that Asyraf would have seen that there was no orange LED fault light[58] and could have informed Firdauz and Nick that the aerosol was connected and asked them if they wanted a live discharge[59]. The failure to do so suggests that Asyraf knew about Nick's intent to have a live discharge. However, Asyraf gave evidence that he did not do that as the communication was between Firdauz and Nick and he was not sure if Nick wanted a live discharge[60]. He did not know at that time that the absence of the orange LED fault light meant that the aerosol was connected and would discharge if the test continued[61]. He had left to be stationed at the building fire

[57] NE, 5 September 2025, 15/5-8

[58] NE, 1 July 2025, 88/1-3

[59] NE, 1 July 2025, 88/19-23

[60] NE, 1 July 2025, 88/24-29

[61] NE, 1 July 2025, 90/21-24

Version No 1: 25 Nov 2025 (14:21 hrs)

alarm panel, away from the FirePro panel after step 1.3 of the checklist[62] and had assumed that Firdauz had already disconnected the FirePro extinguishant[63].

47 Both Nick[64] and Asyraf gave evidence that they were at building fire alarm panel at the material time, which was a distance from the FirePro panel. Given that it is the Claimant who is the sole distributor of FirePro systems and which has been engaged to reconfigure, test and commission the panel, it is not reasonable for Firdauz to assume that either Nick or Asyraf should have observed the absence of the orange LED fault light at the building fire alarm panel and inferred from the same that the extinguishant was connected to the system. As indicated in the checklist, Firdauz is the engineer conducting the test, Nick is witnessing and verifying the test results and Asyraf is receiving the services on behalf of the Second Defendant. It is not reasonable for Firdauz to assume that Nick was technically competent, simply follow Nick's instructions blindly and abdicate responsibility over the conduct of the test when he was the one engaged for his professional expertise. It is also not reasonable for Firdauz to expect Nick to tell him to turn on the extinguishant disablement switch before proceeding with the test after the smoke detector is reinstated, when he is the one who underwent specialized training in the system and who is engaged to carry out the test. Even if the steps in the checklist were disrupted, Firdauz, as the engineer in charge of the test, should have been familiar enough with the procedure to know that for it to remain as a non-discharge test, which were the Second Defendant's original instructions, the extinguishant would have to be re-disabled after the fault test and the pre-test check repeated. Even if Firdauz had assumed that Nick wanted a live discharge test, it would be incumbent upon

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[62] NE, 1 July 2025, 96/28 – 97/12

[63] NE, 1 July 2025, 90/25-32

[64] NE, 5 September 2025, 11/15-20

Version No 1: 25 Nov 2025 (14:21 hrs)

him to verify if this assumption was correct and if they should change to a live discharge test and the check list modified accordingly. Firdauz did not carry out any of these steps. More probable than not, he had simply forgotten to ensure that the extinguishant was re-disabled before resuming with the alarm test. He cannot relinquish his duty of care to Asyraf or Nick and expect them to understand the implications of the various steps in the check list in respect of a system for which he had the expertise and was engaged for his expertise. In the circumstances, I find that he has breached his duty of care.

Was the Claimant vicariously responsible for such breach

48 In *Ong Han Ling & anor v American International Assurance Co Ltd & ors* ("Ong Han Ling") at [160], the Court referred to a two-stage test for the imposition of vicarious liability. First, the relationship between the tortfeasor and the defendant must be capable of giving rise to a finding of vicarious liability, i.e., there exists a special relationship between the defendant and the tortfeasor making it fair, just and reasonable to impose liability on the defendant for the wrongful acts of the tortfeasor. In employment relationships, there will automatically be a special relationship. Secondly, the conduct of the tortfeasor possesses a sufficient connection with the relationship between the tortfeasor and the defendant. Ultimately, vicarious liability should only be imposed when it is fair, just and reasonable to do so, having regard to the aims of effective victim compensation, deterrence of future harm, and in the light of the concept of enterprise risk. These aims should also be balanced against the competing public policy considerations militating against holding a person liable for another person's torts.

49 In the present case, the employment relationship between the Claimant and Firdauz fulfilled the first stage of the test. As for the second stage, Firdauz

Version No 1: 25 Nov 2025 (14:21 hrs)

was assigned to carry out the testing and commissioning pursuant to the Claimant's engagement to provide such works and it was in the course of carrying of such engagement and in the course of his employment that the breach of duty occurred. As such, the second test of a sufficient connection between Firdauz's conduct and his relationship with the Claimant is also satisfied. The imposition of vicarious responsibility would not be unfair, unjust or unreasonable, and there are no public policy considerations supporting the contrary.

Did the Second Defendant have to prove actual loss at this stage

50 While it was accepted by the parties that the trial was to be bifurcated, the Claimant nevertheless raised the issue that the Second Defendant had not shown that the BESS was destroyed or damaged. First of all, the Claimant argued that the Rolls-Royce letter dated 25 June 2024 was hearsay. Secondly, the Claimant argued that the Second Defendant did not believe that the BESS was destroyed or damaged and could not be used because they nevertheless tried to replace the aerosol canisters in September 2024.

51 The Claimant relied on *Tan Woo Thian v Pricewaterhouse Coopers Advisory Services Pte Ltd* [2021] 1 SLR 1166 to argue that even in a bifurcated trial, the claimant would have to show actual loss and that this position was not changed by the subsequent Court of Appeal decision in *Crapper Ian Anthony v Salmizan bin Abdullah* [2024] 1 SLR 768 ("*Salmizan*").

52 In *Salmizan*, the Court of Appeal held at [47] that an interlocutory judgment does not invariably bear any connotation of establishing liability. While *Salmizan* concerns a consent interlocutory judgment, the Court of Appeal observed that at [57] and [58] that as a matter of case management, there is nothing in principle or policy requiring bifurcation to be strictly between

Version No 1: 25 Nov 2025 (14:21 hrs)

liability and quantum or damages and that proceedings have not always been bifurcated on such a basis. Judgments could essentially adjudicate on the agreed issues without deciding on the question of liability. The Court of Appeal went on to state at [59] that whether the court should bifurcate and in what way would depend very much on the context of the case, taking into account the considerations of promoting expeditious proceedings, cost-effectiveness and ensuring the efficient use of court resources.

53 In the present case, it is clear from the case conference of 15 April 2025[65] that the Second Defendant had taken the position that assessing the damage to the BESS was pending the appointment of an expert, which was deferred in the interest of saving costs, pending the determination of responsibility for not switching off the extinguishant. Parties had then proceeded to file affidavits only on the issue of responsibility for the incident.

54 In any event, the Second Defendant has produced some evidence of actual loss such that there is no reason to dismiss the counterclaim at this stage. Leaving aside the hearsay objection and the argument that Rolls-Royce did not inspect the BESS before coming to their conclusion, there was direct evidence that the BESS was no longer operational following the incident. Both Kevin and Asyraf gave evidence that the Second Defendant has not been able to start up and/or initiate the BESS due to a system fault, which had never occurred prior to the incident[66]. In particular, Asyraf testified that due to the incident, there was a leakage error in one of the breakers and the system could not boot up[67]. Nick

[65] NE, 15 April 2025, 5A

[66] Kevin's AEIC at [18], Asyraf's AEIC at [8]

[67] NE, 1 July 2025, 93/13-21

Version No 1: 25 Nov 2025 (14:21 hrs)

also gave evidence that since the incident, the BESS unit is not operational[68]. The fact that the Second Defendant had tried to replace the aerosol canisters did not indicate that the BESS was not damaged. As set out in the WhatsApp messages[69] from Kevin, the Second Defendant did not want the battery to sit there without fire protection. The Second Defendant merely wished to mitigate the risk of fire on site[70], given that the BESS unit is situated in a petrol station which is an elevated risk environment[71]. As Kevin explained, there is auxiliary power coming from the petrol station that is used to power essential and auxiliary sub-systems, such as the fire protection system[72]. As such, the desire to have a functioning fire protection system did not mean that the BESS was functioning. In the circumstances, there is evidence that the BESS has been damaged following the discharge of the aerosol. There is therefore no reason for dismissing the counterclaim at this stage.

Summary

55 In summary, judgment is entered against the First Defendant in the sum of $545 with interest at 5.33% p.a. from the date of the originating claim to the date of payment. The Claimant's claim against the Second Defendant is dismissed.

56 As for the Second Defendant's counterclaim, I find that the Claimant has breached its duty of care to the Second Defendant. Trial on the remaining

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[68] NE, 5 September 2025, 4/9-11

[69] ABD 28

[70] NE, 1 July 2025, 74/11-19

[71] NE, 1 July 2025, 72/21-28

[72] NE, 1 July 2025, 74/29 – 75/3

Version No 1: 25 Nov 2025 (14:21 hrs)

issues of liability and quantum is to proceed based on my finding that the Claimant is 100% responsible for the incident.

Sia Aik Kor
District Judge

Andrew John Hanam (Andrew LLC) for the claimant;
Sharon Lin Hui Yin and Gideon Phng Boon Yew (Withers KhattarWong LLP) for the defendants.

Version No 1: 25 Nov 2025 (14:21 hrs)