IN THE STATE COURTS OF THE REPUBLIC OF SINGAPORE

[2026] SGSCT 20

Small Claims Tribunals — Claim No 13576 of 2026

Between

JIK

… *Claimant*

And

JIL

… *Respondent*

GROUNDS OF DECISION

[Commercial Transactions — Sale of services]
[Contract — Breach]

JIK
v
JIL

[2026] SGSCT 20

Small Claims Tribunals — Claim No 13573 of 2026
Tribunal Magistrate Jared Kang Chern Wey
2, 3 July 2026

3 July 2026

Tribunal Magistrate Jared Kang Chern Wey:

1 Commercial transactions, especially modest ones, depend on clarity. Most everyday bargains are not negotiated, recorded in crafted instruments, or administered by dedicated teams. They are made through quotations, invoices, emails, messages, standard terms, and a shared working assumption that each side understands what the other is asking for. When that assumption holds, business proceeds with little friction. When it breaks down, small sums can generate disputes whose time, cost and frustration quickly exceed the value of the transaction itself. This case is but one illustration of that, sadly, all-too-familiar problem. At its heart is a point of basic commercial discipline: parties should say clearly what they are asking for, what they are charging for, and what must happen next. Clear communication belongs to no inaccessible or elite class of lawyers. It is a discipline available to everyone and, in everyday commerce, it is often the cheapest form of dispute resolution.

2 The claimant ("CSP") is in the business of providing electrical services. The respondent ("RPL"), a commercial tenant, wished to open a utilities account with SP. To that end, RPL approached CSP seeking to engage the services of a Licensed Electrical Worker ("LEW") to assist it in applying for and obtaining the Electrical Installation Licence ("EIL") needed to open said account. A quotation for the provision of such service was issued and eventually signed. However, the engagement did not ultimately proceed because RPL withdrew therefrom. CSP then brought this claim seeking $1,080, contending that this liquidated sum was payable on account of RPL's breach or early termination of the parties' contract. I heard the parties on 2 July 2026 and dismissed the claim with no order as to costs or disbursements, giving brief reasons orally. These are the full grounds of my decision.

3 I begin with the background. On 11 March 2025, RPL first wrote to CSP. In that email, it supplied CSP with the practical details needed to understand the intended engagement just described above: namely, the address of the premises, its electrical supply capacity, and an acknowledgment form RPL had received from SP. That form essentially required RPL to declare to SP that it had engaged an LEW to apply for the EIL on its behalf and, in that connection, the form required RPL to state the name, licence number, and contact details of the LEW it had engaged. The same day, CSP responded, issuing a quotation for the provision of the required LEW services.

4 The quotation provided for CSP to provide LEW services to apply for or renew the EIL for RPL's premises for a period of five years. The annual service charge was $720, excluding the statutory EIL fee payable to the Energy Market Authority of Singapore ("EMA"). For an EIL, the prescribed fee is $100 for a 12-month licence, or $50 for a three-month licence (see reg 28(2) read with the Schedule to the Electricity (Electrical Installations) Regulations). The

quotation also stated that CSP would carry out the electronic submission of the application to the EMA upon receipt of full payment and a completed letter of appointment. It identified certain items as separately chargeable, such as the production of single line drawings, emergency calls, and supply turn-on works. It also contained the clause on which CSP's claim is founded.

5 The quotation was not signed immediately. Nothing much turns on that delay by itself. Commercial parties are entitled to consider quotations, compare vendors, and decide later whether to proceed. The next material event occurred on 30 July 2025, when RPL wrote to CSP saying that it was ready to sign and asking for a fresh quotation because the original stated that it was only valid for 14 days, subject to CSP's acceptance of late returns. In the same email, RPL again asked CSP to provide the LEW's name, licence number, and contact details so that it could complete and submit the SP form. CSP responded by asking RPL to stamp and sign the quotation. RPL did so. CSP then issued its first invoice, dated 1 August 2025, for $820. This comprised the annual service charge of $720 and a $100 licence fee.

6 Up to this point, the transaction had proceeded in a reasonably ordinary way. There had been an inquiry, a quotation, a request for an updated quotation, a signed acceptance, and an invoice corresponding broadly to the quotation. Not long thereafter, however, difficulties arose. On 19 August 2025, RPL wrote to CSP stating that the first invoice had been forwarded to its finance department for payment and asking CSP to help fill out the LEW's details in the SP form. CSP then issued a further invoice for $600. This invoice described the charge as a professional fee for "LEW undertaking the SP account application". It was this second invoice, and the manner in which it was later left unexplained, that caused the parties' transaction to break down.

7 RPL responded promptly on 20 August 2025. It queried whether the $600 invoice was a replacement of the first invoice for $820, what the fee was for—in particular, whether the fee was simply for CSP to fill out the SP form. In this response, RPL also expressly stated that it had already applied for the SP account and did not need CSP to undertake the SP application. From this, the distinction RPL was drawing was clear. It was not asking CSP to open the account on its behalf. It was asking for the LEW's details which it needed to complete the SP acknowledgement form. CSP did not reply. RPL then followed up on 28 August, asking for CSP's reply. This time, CSP replied quickly, but stated nothing other than "[a]wait your payment". RPL then asked whether the $600 invoice would be cancelled so that payment of the first invoice could proceed. CSP again did not reply.

8 On 1 September 2025, RPL withdrew its approval of the original quotation. Its stated position was that, when it signed the quotation, it did not know there would be an extra $600 charge for CSP to provide details for the SP form, and that it could not proceed without clarification or confirmation that the second invoice would be cancelled. CSP did not respond. Several months later, on 18 December 2025, CSP issued an invoice for $1,080. This was not for the first year's annual service charge nor was it for the $600 SP account application invoice. It was for what CSP characterised as a breach of the service contract, calculated at 1.5 times the annual service charge of $720.

9 RPL replied the same day, disputing the invoice and explaining again that the $600 invoice had been unexpected, that the additional charge had not been mentioned before agreement was reached, that RPL had sent multiple emails seeking an explanation but none was forthcoming, and that it had thus withdrawn on 1 September for that reason. CSP's response on 19 December was brief. It did not address RPL's explanation, and stated only: "Please read

casefully [*sic*] of the binding contract". RPL then replied again on 22 December, reiterating that it had never agreed to pay the second invoice, that CSP had simply instructed payment instead of providing an explanation, and that this lack of communication had left RPL with no choice but to withdraw from the arrangement. RPL asked CSP to cancel the $1,080 invoice and acknowledge that no payment was due.

10 On 8 April 2026, CSP commenced the present claim for $1,080. CSP's case was straightforward. It said that RPL signed the quotation, that the quotation was binding, that RPL did not pay the first invoice, that RPL did not provide a letter of appointment which CSP said was necessary for its LEW's services to be engaged, and that RPL then withdrew from the contract. On this basis, CSP said that RPL had breached or terminated the contract, thereby triggering the early termination fee of $1,080 stipulated in the signed quotation. Mr CR, who represented CSP at the hearing, was clear that the claim before me was not for payment of the either the $820 or the $600 invoice. It was a claim for the contractually stipulated sum payable upon breach or early termination of the agreement captured in the signed quotation.

11 RPL's defence was also straightforward. It said that it had fully intended to proceed with the agreement, but that CSP's second invoice for $600 created uncertainty as to what CSP was requiring RPL to pay before doing so. Ms RR, representing RPL, gave evidence that RPL had not asked CSP to open the SP account on its behalf. RPL had already applied for the account and needed only the LEW's particulars for the purposes of completing the SP acknowledgement form. She explained that RPL did not know whether the $600 invoice was additional to the first invoice, a replacement thereof, or a condition of CSP providing the LEW's details and performing the original service.

12 The case therefore turned on one central issue: whether RPL's withdrawal was a breach, or a wrongful repudiation, of the parties' agreement such that the $1,080 early termination fee was triggered. This issue required two short anterior points to be addressed. First, the parties had to have entered into a binding agreement. Second, that agreement had to contain a clause capable of applying to RPL's withdrawal. Those points were largely uncontroversial. The real dispute concerned the circumstances in which RPL withdrew and whether, viewed fairly and objectively, that withdrawal was wrongful.

13 RPL signed and returned the quotation after CSP asked it to stamp and sign the document. RPL did not seriously dispute that it had done so, nor could it realistically say that no agreement had been formed at all. And, while the quotation was poorly worded in places, it was clear enough to reflect that the parties agreed on a five-year arrangement between CSP and RPL where the former would provide the services of an LEW to the latter, with payment to be made annually and—crucially for present purposes—with certain consequences stipulated if that arrangement came to an early end.

14 The next question was what the stipulated consequences were. The relevant clause stated as follows: "This 5years service agreement (was 30% discounted) will be terminated at No cost, if License was cancelled and changed of Licensee's (UEN). Otherwise either party has to pay 1.5 times of 1year service charge in-lieu, or 2 times for change of LEW by Licensee upon License renewal respectively, as the early termination fee. Price quoted exclude License fee." The drafting was inelegant, but its thrust was nevertheless sufficiently discernible. The first sentence carved out a no-cost situation where the licence was cancelled and there was a change of licensee. The second sentence then provided, in substance, that outside that situation, early termination of the five-year arrangement would attract a payment of 1.5 times a year's service charge

of $720. I was accordingly satisfied that RPL's withdrawal, if wrongful, was capable of falling within the clause.

15 That, however, was as far as the clause could take CSP. The fact that the clause was *capable* of applying to an early ending of the five-year arrangement did not mean that it was automatically triggered whenever RPL stopped proceeding. CSP still had to prove that RPL's withdrawal was a breach, or a wrongful repudiation, of the agreement. That was the central issue in the case. The analysis therefore turned from the existence and scope of the clause to the circumstances in which RPL withdrew. Those circumstances were plainly material because RPL's withdrawal was not an unprompted, free-standing event. It followed from a specific sequence of acts and omissions on CSP's part: namely, the issuance of the second invoice for $600, RPL's repeated requests for clarification, and CSP's failure to provide any meaningful answer before RPL eventually withdrew.

16 Before me, Mr CR explained that the $600 invoice related to a separate optional service. According to him, RPL could apply to open the SP account by itself. If RPL wanted CSP to undertake that application on RPL's behalf, CSP would charge $600. I was fully prepared to accept that this was what CSP had in mind not only at the stage of the hearing, but contemporaneously at the time it had sent the $600 invoice to RPL. I was also very cognisant of the fact that the original quotation said nothing about whether CSP would undertake the SP account application on RPL's behalf. Accordingly, had RPL's defence been that the $720 annual service charge necessarily included not just the task of applying for and obtaining the EIL, but also the full end-to-end service of applying for the SP account on RPL's behalf and, therefore, that the $600 invoice was unjustified as it fell within the original scope of works, that might not have been persuasive. That, however, was not what RPL had asked of CSP.

17 From the first inquiry on 11 March 2025, RPL had made clear that it needed the relevant LEW's details for the SP form. It repeated that request on 30 July 2025 before signing the quotation. On 19 August 2025, after receiving the first invoice and forwarding it to its finance department, RPL asked CSP to help fill out the SP form. That request had to be understood against the earlier emails and the attached SP form. It was naturally read as a request for CSP to provide, or assist in filling in, the LEW details which RPL had been asking for since March. If CSP understood that request as one for a paid service of taking over the whole SP account application, basic commercial clarity required CSP to say so. Instead, it issued the $600 invoice with little explanation.

18 Thereafter, upon receiving the $600 invoice, RPL's email of 20 August 2025 then made its position unmistakably clear. As stated at [7] above, RPL asked whether the $600 invoice was a replacement of the first invoice, what the fee was for, and whether it was only for CSP to fill out the form. It then stated expressly that it had already applied for the SP account, that it only needed to submit the acknowledgment form for SP to open the account, and that it did not need CSP to undertake the SP application. At that point, even if there had earlier been some room for misunderstanding—though I do not think there was—the misunderstanding had been identified. The distinction was placed squarely before CSP: RPL wanted the LEW's particulars for the SP form, not CSP's paid service of taking over the SP account application.

19 Even then, CSP still did not give the explanation which Mr CR gave me at the hearing. It did not say that the $600 invoice was optional. It did not say that the first invoice remained payable on its own. It did not say that RPL could disregard the second invoice if it did not want CSP to undertake the SP account application. It did not say whether CSP would provide the LEW's particulars once RPL paid the first invoice and provided the letter of appointment. CSP's

only response, after RPL followed up on 28 August 2025 asking for a reply so that payment of the first invoice could proceed, was "[a]wait your payment". That response did not make sense of the $600 invoice for RPL. It left the central uncertainty exactly where it was.

20 Mr CR's explanation for CSP's position had two strands. First, he said that the second invoice was self-explanatory because it referred to the "LEW undertaking the SP account application", which CSP regarded as plainly separate from the LEW services covered by the signed quotation. Second, given this, he said CSP did not consider itself obliged to entertain further questions, especially before RPL had made any payment. One can understand the commercial concern. A small-business operator cannot spend all of its time on unpaid administrative work. Some customers ask too many questions, delay decisions, demand extras, and treat modest payments as if they have purchased the vendor's total availability. Having now sat in the Small Claims Tribunals ("SCT") for some time, I certainly do not discount that such behaviour exists, and that vendors are entitled to protect themselves against it by careful scopes of work, payment milestones, minimum engagement fees, written exclusions, and policies about chargeable consultation. But the present case involved necessary clarification, not endless explanation. What CSP thought was obvious was evidently not obvious to RPL, and the uncertainty was created by CSP's own second invoice. RPL's questions were directed at understanding whether that invoice affected the agreement already signed.

21 Seen in that light, RPL's perspective was reasonable. It had signed a quotation for LEW services after asking, more than once, for the LEW's details needed for the SP form. It then received the first invoice, forwarded it for payment, and asked CSP to help complete the SP form. Instead of receiving the LEW's details or a clear explanation of the next steps, it received a second

invoice for $600 for "LEW undertaking the SP account application". When RPL clarified that it had already applied for the SP account and did not require that service, CSP did not explain that the invoice was optional or separate. It was therefore reasonable for RPL to be concerned that CSP was requiring payment of the second invoice before it would proceed.

22 Just as a vendor may take steps to avoid job creep with no increase in fee, a customer may take steps to avoid being charged for work it did not ask for or did not understand. Both are ordinary incidents of sound commercial practice. A vendor is entitled to define the limits of its work and to charge for additional services. But a customer is likewise entitled to understand whether a later invoice is a demand, an option, a replacement, an add-on, or a condition of further performance before deciding how to respond. Here, a simple reply from CSP would have sufficed: the $600 invoice was optional; it related only to CSP undertaking the SP account application; RPL could disregard it if it did not require that service; and the original arrangement would proceed upon payment of the first invoice and provision of the letter of appointment. In no way could such a reply be fairly characterised as difficult or lengthy unpaid administrative work. It was simply ordinary commercial housekeeping.

23 I therefore found that CSP had failed to prove that RPL's withdrawal was a breach of contract or a wrongful repudiation of the agreement. RPL's 1 September email was a withdrawal from the arrangement, but it was a withdrawal *caused by* CSP's own additional invoice, the uncertainty created by that invoice, and the absence of meaningful clarification despite RPL's repeated attempts to obtain one. RPL had made clear what it required and what it did not require. CSP did not provide the clarification which would have allowed the transaction to continue. In those circumstances, the relevant clause was not triggered, and CSP's claim for $1,080 failed.

24 For completeness, one further legal point is worth mentioning. The $1,080 claimed by CSP was a fixed sum stipulated in advance, payable upon breach or early termination. As such, had I found that RPL's withdrawal triggered the clause, it would have become necessary to consider whether the clause was enforceable, or whether it offended the rule against penalties. During the hearing, I invited Mr CR to address this issue. His explanation was that the 1.5 multiplier was a reasonable estimate of the time CSP would need to replace a lost five-year contract and the loss of possible future commercial opportunities under the service relationship. That explanation had some commercial sense. A five-year service arrangement may have value beyond the first year's annual service fee, and liquidated damages clauses exist precisely because some losses are difficult to quantify. But because CSP failed to prove that the clause was triggered, I left this point undecided.

25 For these reasons, CSP's claim failed. Since CSP did not succeed, it was not entitled to recover its disbursements or any costs from RPL. I also made no order for costs in favour of RPL. Bearing in mind r 19A(1) of the Small Claims Tribunals Rules, I did not think that this was a frivolous, vexatious or otherwise abusive claim in respect of which an order of costs ought to be made. CSP had a signed quotation and a clause which, on one possible view, protected it from early termination of a five-year arrangement. Its difficulty lay in proving that the circumstances necessary to invoke that clause had arisen. This was therefore a claim with a real, though ultimately unsuccessful, contractual premise. It was not a case so patently hopeless that even a layperson acting without the benefit of legal advice ought reasonably to have appreciated that it should never have been brought. On these facts, my view was that a dismissal of the claim was sufficient to do justice between the parties.

26 That last point leads me to a broader observation which I think ought to be made for the benefit of disputants in cases of this kind. Low-cost fora like the SCT exist because the justice system understands—and understands well—that disputes will inevitably arise in ordinary commercial transactions, even amongst those trying their best to act reasonably. That institutional safety net is important. But its existence should not dull the practical judgment which traders and customers must exercise before matters reach a court or tribunal. Law and litigation, even in simplified and low-cost forms, are rarely the best first answer to ordinary commercial friction. They are necessary when parties cannot resolve matters themselves, but they are nevertheless blunt instruments compared to timely explanation, measured expectation, and basic regard for the person on the other side of the transaction.

27 A healthy system of retail and everyday commerce cannot outsource its entire sense of good practice, bad practice, good responses, bad responses, fair treatment, unfair treatment, reasonable expectations and unreasonable expectations to judicial decision-making. Courts and tribunals can decide legal consequences after relationships have broken down. They cannot be the ordinary operating system for commercial common sense. That judgment must be preserved, nurtured, and developed by the people who transact with one another. People must learn how to be reasonable, to act reasonably, to calibrate how they see the world, and to have regard for their fellow people. That may sound trite, but it is only trite if everyone tries to do it.

28 To borrow, with full awareness that the film rather badly mangles the actual game theory (*cf* John F Nash Jr, "Equilibrium Points in N-Person Games" (1950) 36(1) *Proceedings of the National Academy of Sciences* 48 and "Non-Cooperative Games" (1951) 54(2) *Annals of Mathematics* 286), the cinematic John Nash's line from *A Beautiful Mind* (2001): "the best result would come

from everyone in the group doing what's best for himself, *and the group*". I do not, of course, mean for this to be a statement of any legal significance. It is, I think, simply a useful reminder that everyday commerce works best when self-interest is disciplined by at least some reciprocity. As low-value filings increase, and as more SCT decisions are published, those decisions may help calibrate ordinary expectations. However, they are not, and cannot be, a substitute for fair dealing before litigation.

Jared Kang Chern Wey
Tribunal Magistrate

The claimant in person;
The respondent in person.
