

RE-ALIGN FRAMEWORK



LET'S RENEGOTIATE

Renegotiating Business Contracts with the Re-Align Framework

Serving a Notice of Negotiation: What to Expect

I want to
renegotiate my
contract... What
should I do?

IMPORTANT DATES	
15 January 2021	Implementation of Re-Align Framework 1st day to serve a Notice of Negotiation
26 February 2021	Last day to serve Notice of Negotiation



Before 15 January 2021: Find out if you are eligible

Visit www.go.gov.sg/re-align-eligibility to view the eligibility criteria and find out what supporting documents (e.g. financial statements) are required, so that you may start preparing

15 January to 26 February 2021: Serve Notice of Negotiation

If you are eligible and wish to renegotiate your contract, serve a Notice of Negotiation by 26 February 2021

- On the other party/parties to the contract and any other interested parties (e.g. guarantor, surety or assignee)
- Use designated forms, via MinLaw's online system
- Attach supporting documents

4-week Negotiation Period: Renegotiate the contract

Once the Notice of Negotiation has been served:

- You and the Other Party have four weeks to renegotiate the contract
- The Other Party is prohibited from taking legal and enforcement actions (e.g. court proceedings) against you if you fail to perform any contractual obligation that is due to be performed
- Parties are encouraged to take this opportunity to discuss, understand each other's positions and try to reach a mutually acceptable agreement. For example, parties may agree to cancel deliveries of goods previously ordered, or a temporary reduction of rent. Parties may also decide that it is best for parties to part ways, and negotiate to terminate a contract on terms you both agree with

If renegotiation is unsuccessful

2-week Objection Period: Other Party may object

After the 4-week Negotiation Period ends, the Other Party may lodge a Notice of Objection and/or Notice for Compensation (if the Other Party is a small landlord seeking hardship relief) for an independent Assessor to determine*:

- Your eligibility for the framework and the date of contract termination
- Adjustment of rights and obligations to reach a just and fair outcome, including whether any compensation should be paid for early termination

If no Notice of Objection is lodged, **the contract will be deemed terminated two days after the 2-week Objection Period ends**

- You will still be liable for outstanding debts and obligations as at the date of termination
- You will not have to pay early termination penalties and future obligations after the date of termination

2-week Notice for Adjustment period:

Request for adjustment of rights and obligations, if necessary

- After the 2-week Objection Period ends and if you cannot agree on the parties' rights and obligations after contract termination, either you or the Other Party may lodge a Notice for Adjustment for an Assessor to make a determination* on the adjustment of rights and obligations under the contract

* All Assessors' determinations are binding and not appealable. Parties may seek legal advice if they wish, but legal representation will not be allowed in the course of the determinations