

RE-ALIGN FRAMEWORK



LET'S RENEGOTIATE

Renegotiating Business Contracts with the Re-Align Framework

Receiving a Notice of Negotiation: What to Expect



15 January to 26 February 2021: You may receive a Notice of Negotiation

An Affected Business who wishes to renegotiate his contract with you may serve a Notice of Negotiation on you at any time within this period

- You will be able to review documents (e.g. financial statements) attached by the Affected Business that prove their eligibility

4-week Negotiation Period: Renegotiate the contract

Once the Notice of Negotiation has been filed:

- You and the Affected Business have four weeks to renegotiate the contract
- You 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
- You will be prohibited from taking legal and enforcement actions (e.g. court proceedings) against the Affected Business if they fail to perform any contractual obligation that is due to be performed once the Notice of Negotiation is served

If renegotiation is unsuccessful

2-week Objection Period: You may object

After the 4-week Negotiation Period ends, if you disagree that the Affected Business is eligible for the framework, you may lodge a Notice of Objection at www.go.gov.sg/re-align-objection

- An independent Assessor* will determine the Affected Business's eligibility, the date of contract termination and the parties' rights and obligations upon termination

If you are a small landlord in financial hardship, you may also lodge a Notice for Compensation at www.go.gov.sg/re-align-compensation

- The Assessor* will determine your eligibility for compensation from the tenant if the lease or licence agreement is terminated early

Until the determination on the Affected Business's eligibility is issued, the contract will continue to run

If you do not lodge a Notice of Objection, the contract will be deemed terminated two days after the 2-week Objection Period ends

- The Affected Business will still be liable for outstanding debts and obligations as at the date of termination
- The Affected Business 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 Affected Business 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