

Annex B: Repayment Scheme for arrears under hire-purchase agreements and rental agreements for commercial equipment and vehicles

1.	Eligibility for Repayment Scheme	<p>Businesses and individuals that meet the eligibility criteria for the Re-Align Framework, and who are party to a hire-purchase or rental agreement for commercial equipment or vehicles.</p> <p>If a party chooses to take up the Repayment Scheme, they cannot make use of the renegotiation or termination reliefs under the Re-Align Framework, and vice versa.</p>
2.	Arrears covered	<p>(a) Any outstanding moneys that are payable under the contract on or after 1 February 2020 to the day before the date of the Notice of Revision.</p> <p>(b) Any interest imposed on late payment of moneys in (a) (determined in accordance with section 7A of the Act, where section 7A applies), such interest accruing before the date of the Notice of Revision.</p>
3.	Applicable interest rate on (a) and (b) set out at “Arrears covered” above	Capped at 5% per annum, or the contractual interest rate, whichever is lower.
4.	Period of repayment	Up to a maximum of 18 months. This period of repayment may extend beyond the existing period provided in the contract for repayment.
5.	Instalment amount	Equal monthly instalments over the period of repayment.
6.	First instalment payment to be made by	26 March 2021.
7.	How to apply	The eligible hirer or renter must serve a Notice of Revision on all parties to the contract and all interested parties (e.g., guarantor, surety or issuer of any performance bond or equivalent in relation to the hirer / renter’s obligations under the contract) by 26 February 2021.

For an example of a revised repayment schedule which complies with the requirements set out above, please refer to [Question 2](#) of the FAQs set out on the Ministry of Law webpage on the Repayment Scheme [here](#).