EXPLANATORY NOTES TO THE NOTICE OF NEGOTIATION (OTHER PARTY)

IMPORTANT: The Notice of Negotiation you received has **legal effect** if the party who served the Notice on you ("**Affected Business**") is eligible for relief under Part 10 of the COVID-19 (Temporary Measures) Act.

The service of the Notice of Negotiation triggers a 4-week Negotiation Period from the date of the Notice, during which, the Affected Business and you may renegotiate the contract. If you wish to object to the Affected Business's eligibility for relief, you have to lodge and serve a Notice of Objection at <u>www.go.gov.sg/re-align-objection</u> during the 2-week Objection Period after the end of the 4-week Negotiation Period. If you do <u>not</u> lodge and serve the Notice of Objection, <u>your contract will be deemed terminated 2 days after the end of the Objection</u> Period. We encourage you to reach out to the Affected Business to discuss and reach a mutually acceptable solution.

You are advised to read the Explanatory Notes below on the steps you should take after you have received a Notice of Negotiation.



You	are at Step	What you should do
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A	You have received a Notice of Negotiation from the Affected Business	 You have 4 weeks from the date of the Notice of Negotiation to renegotiate the contract with the Affected Business. You are encouraged to reach out to the Affected Business to try to reach a mutually acceptable solution. 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 are prohibited from taking legal and enforcement actions (e.g.
		court proceedings) against the Affected Business for his failure to perform any contractual obligation that is due to be performed from the day the Notice of Negotiation is served.
B	You did not reach an agreement with the Affected Business during the 4-week Negotiation Period	• In the 2-week Objection Period after the end of the 4-week Negotiation Period ends, if you disagree that the Affected Business is eligible for relief under the Framework, you may lodge and serve a Notice of Objection at <u>www.go.gov.sg/re-align-objection</u> .
		• During the 2-week Objection Period , if you are an eligible small landlord in financial hardship who wishes to seek compensation from the tenant for early termination of the lease or licence, you may also lodge and serve a Notice for Compensation at <u>www.go.gov.sg/realign-compensation</u> .
С	You have lodged/served Notice of Objection during the 2-week Objection Period	 If the Notice of Objection is in order, the Registrar will send the Affected Business and you a Notice of Appointment of Assessor, by email, stating that an independent Assessor has been appointed to determine the Affected Business's eligibility for relief and if the Affected Business is eligible, the date of contract termination. If the Affected Business is eligible, an Assessor may also be appointed to make a determination on the adjustment of rights and obligations upon termination under the contract.
		• Your contract continues until the Assessor has determined the Affected Business's eligibility.
		• If you have lodged and served the Notice for Compensation and it is in order, the Registrar will appoint an Assessor to determine your eligibility for compensation from the tenant.
D	You did <u>not</u> lodge / serve Notice of Objection during the 2-week Objection Period* *Including where you lodged/served Notice for	 The contract will be deemed terminated 2 days after the Objection Period ends. The default consequences of termination are set out at Part 4 of the Second Schedule (see here). In general: 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. If you do not agree with the default consequences of termination or you
	Compensation,	cannot agree with the Affected Business on the parties' rights and

	but <u>not</u> Notice of Objection	obligations after contract termination, in the 2-week period after the Objection Period , you may lodge a Notice for Adjustment for an Assessor to make a determination on the adjustment of rights and obligations upon termination under the contract.
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For more information, visit <u>www.go.gov.sg/re-align-negotiation</u>