

GUIDE FOR Renters of commercial equipment

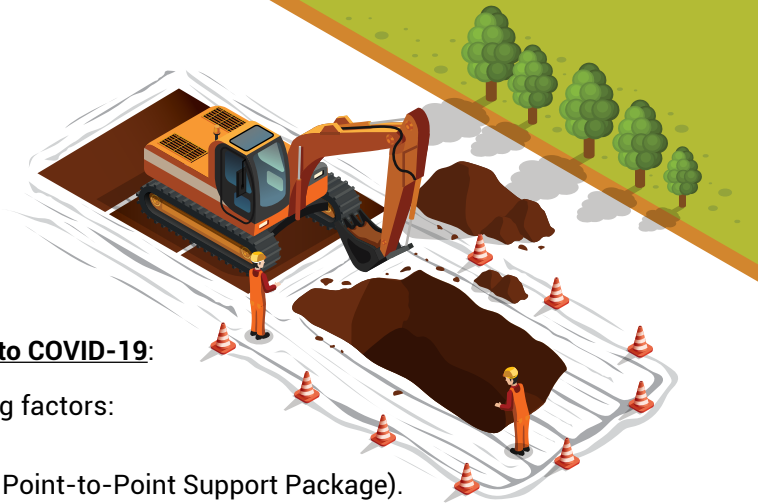
Relief period
ended on
31 Jan 2021

Do you qualify for relief?

- ✓ Rental agreement for:
 - Plant or machinery in Singapore used for commercial purposes (e.g. manufacturing)
 - Commercial vehicle (e.g. used as goods vehicle, private bus), **excluding** taxis and private-hire cars
- ✓ Entered into agreement before 25 March 2020
- ✓ **Unable to pay rental** from 1 February 2020 or later, **due to COVID-19**:

The Act does not apply if your case has any of the following factors:

- ✗ Equipment is a taxi or private hire car (visit www.go.gov.sg/ppsp2 for information about LTA's Point-to-Point Support Package).
- ✗ Equipment rented for personal purposes
- ✗ Inability to pay rental for reasons unrelated to COVID-19
- ✗ Unpaid rental before 1 February 2020, or equipment repossessed before service of the Notification for Relief
- ✗ Rental agreement already terminated



What does the relief do?

If you serve a Notification for Relief, then, up to 31 January 2021*:

- The rental company cannot repossess your plant, machinery or commercial vehicle
- The rental company cannot unilaterally impose new charges, increase charges or interest rates beyond what is provided for in the agreement
- The late payment interest and charges for arrears accrued between 1 February 2020 and 31 January 2021 will be capped at an amount equal to 5% per annum of simple interest on the arrears
- The rental company cannot terminate the agreement on the basis that you are unable to pay rental on time
- The rental company cannot start or continue court or insolvency proceedings against you

* The Ministry of Law has extended the relief period from 19 October 2020 to 31 January 2021.

Take note

- Rental and applicable interest continue to accrue, and remain payable
- Rental is not waived. Discuss with the rental company if you need to reschedule your rental payments
- If you terminate the rental agreement, you are still liable for charges and other penalties listed in your agreement
- After 31 January 2021, legal and enforcement proceedings may be commenced for arrears

How to get relief?

Serve a Notification for Relief on the rental company, using the form at www.mlaw.gov.sg/covid19-relief/notification-for-relief. The relief applies after the Notification is served.

What if the rental company does not agree?

The rental company may not agree that relief applies, because you can still pay rental or you have not been affected by COVID-19. Try to discuss with the rental company and reach a compromise.

If you cannot agree, either of you may apply for an Assessor from the Ministry of Law to make a determination. The determination will aim to be fair to both parties. For example, you may have to make partial or staggered rental payments. The determination by the Assessor is binding on both parties, and is not appealable.