

Annex D: Repayment Scheme for Rental Arrears

1. Eligible tenant-occupiers who qualify for the Additional Rental Relief may choose to take up a repayment scheme for a specified portion of rental arrears.

Eligibility for repayment scheme	SME/NPO tenant-occupier who qualifies for Additional Rental Relief
Period of rental arrears	1 February 2020 to 19 October 2020
Maximum accumulated arrears	<ul style="list-style-type: none">• Qualifying commercial properties: 5 months' rent• Other non-residential properties (e.g. industrial/ office properties): 4 months' rent <p>"Rent" refers to contractual rent, excluding any maintenance fees and charges for the provision of services such as cleaning and security. Please refer to paragraph 1 of Annex B for more information.</p>
Period of repayment	Over the remainder of the lease, up to a maximum of 9 months
Instalment amount	Equal monthly instalments over the period of repayment
Applicable interest rate	Capped at 3% per annum
First instalment payment to be made by	1 November 2020
How to apply	The eligible tenant-occupier must serve a written notice on their landlord, as well as any guarantor/surety for its obligations in the contract, before 19 October 2020.

2. If the tenant-occupier fails to make a payment under the repayment scheme within 14 calendar days of it being due, or if the tenant-occupier terminates the lease or licence, the repayment scheme will be cancelled, and the landlord will be entitled to:

- a. Collect immediate payment of all the arrears, including any applicable interest and charges as per the original lease or licence agreement; and
- b. Exercise any of its rights under the lease or licence agreement.

3. In addition, if the tenant-occupier terminates the lease or licence and has two or more outstanding repayment instalments under the repayment scheme, the tenant-occupier will have to provide specified documents and information¹⁴ to their landlord,

¹⁴ Please refer to Regulation 41(2)(b) of the COVID-19 (Temporary Measures) (Rental and Related Measures) Regulations 2020 for a complete list of the prescribed documents.

including the balance sheet, profit and loss statement, cash flow statement and statement of changes in equity of the tenant-occupier from 1 April 2020 to the date of termination or repudiation of the lease agreement (both dates inclusive). These documents must be accompanied by a statutory declaration. The tenant-occupier will also be required to provide a reasonable proposal on how it proposes to resolve the outstanding rental arrears.