

PAM PRACTICE BUREAU

CATEGORY F: Other Legislation (COVID19 Act, CIPAA, Companies Act etc.)

No.	DATE	INQUIRY	RESPONSE FROM TEAM
1	16 November 2020	<p>Section 36 Defect Liability Period of COVID19 Act</p> <p>Further to our call to PAM centre this morning, we were told to reach you via email on queries regarding the temporary modification to Housing Development Act 1966 due to the gazetted Temporary measures for reducing the impact of Coronavirus Disease 2019 (COVID-19) bill 2020.</p> <p>We would like to obtain more information about the modification to HAD 1966 contained in Part X1 of this act, from Section 34 to 36 as follow:</p> <ul style="list-style-type: none"> i. Sec 34: Late Payment Charges ii. Sec 35: Delivery of Vacant Possession (VP) and Liquidated Damages (LD) iii. Sec 36: Defect Liability Period (DLP) <p>Does the period from 1st MCO to the end of RMCO (18.3.20 to 31.8.20 - 167 days) for the above Section automatically apply to all projects or subject to application by the developers/ purchasers? Also, if applications are required to extend the period above, is there guidelines or written procedures issued by PAM on how to request for extension on the period mentioned above?</p>	<p>We refer to your email entitled 'Section 36 Defect Liability Period of Covid-19 Act' dated 16 November 2020 and write to note the following.</p> <ol style="list-style-type: none"> 1. Apart from what is contained in the recently gazetted "Temporary Measures for Reducing The Impact of the Coronavirus Disease 2019 (Covid-19) Act 2020 (Act 829)", PAM unfortunately, has no further information on Sections 34 to 36 (under Part XI) of the above Act. 2. We would like to highlight that the above Sections 34 to 36 shall be deemed to automatically apply for all housing projects with Sales and Purchase Agreements (SPA) which are in accordance with Schedules G, H, I and J of the Housing Development (Control and Licensing) Regulations 1989 and which have been entered into before 18 March 2020. 3. If there is any requirement to extend the period within the above Sections 34 to 36, <u>developers</u> or <u>purchasers</u> may apply directly to the <i>Minister</i> (of the Ministry of Urban Wellbeing, Housing and Local Government) for an extension. As there are no provisions within the Act for agents or Architects to apply for such extensions. PAM also has no guidelines or written procedures for the above application. Should you need additional information on the application process, we would advise that you contact the above Ministry directly. <p>We regret that PAM has at this stage, none of the additional information you require but rest assured that the Institute is in continuous dialogue with other stakeholders with regards to the above-mentioned Act. Attached for your information is a copy of the Joint Advisory Note as issued by the Building Industry Presidents' Council dated 13th November 2020 which was prepared with PAM's assistance and guidance and which you may find useful. Please also be advised that PAM is looking to organize Forums on the 5th & 19th December 2020 (via Zoom Webinar) to discuss the Act and we would suggest that you look out for further details on this Forum.</p>