

## Annex A: Infographic on Key Highlights of Revised CoC

### KEY HIGHLIGHTS ON REVISED CODE OF CONDUCT DATED 15 MARCH 2022 FOR LEASING OF RETAIL PREMISES IN SINGAPORE

**EFFECTIVE 1 JUNE 2022**

#### Leasing Principles for Key Tenancy Terms

##### Point-of-Sales System (POS)

- If landlords require POS integration, new tenants must purchase a POS system compatible for integration with landlord's system at tenant's costs.
- If there are limited options for a compatible system and cost to purchase a compatible system is substantially higher, cost must be borne by both parties on 50:50 cost sharing basis.

##### 'Agreed Declared Value' to form Landlord's compensation due to Pre-termination for Landlord's Redevelopment works

- If tenant does not declare the actual value of the Tenant's Capex Works to landlord in writing and/or submit copies of the invoices within 3 months after completion of the works, landlord shall (acting reasonably) determine the 'Agreed Declared Value' having regard to the estimated value of the Tenant's Capex Works (where applicable).
- Landlord shall notify tenant in writing on the above determination.
- If landlord accepts the estimated value of the Tenant's Capex Works as the 'Agreed Declared Value', tenant is not required to declare the actual value of their Capex Works.

##### Security Deposit (SD)

- If rent comprises Gross Turnover (GTO), "gross rent" for computation of SD may include the projected GTO Rent.
- For escalating or staggered rental structures, "gross rent" may be calculated based on the lowest, average or highest rent rate payable during lease term, as per mutual agreement.
- The SD principle shall not apply if SD of 3 months' gross rent is equal to or less than S\$500.

##### Floor Area Alterations

- If agreed floor area of premises is equal to or less than 300 square feet, landlord and tenant may agree to waive the survey requirement.
- If surveyed floor area is smaller than originally specified area by more than 10%, either party can terminate lease. Both parties to comply to obligations stated in amended principle 9.4.
- The obligations are dependent on the status of possession of premises and the party that exercised the termination.

##### Building Maintenance

- The lease agreement shall contain an obligation on landlord to maintain
  - (i) the building if landlord owns such building; or
  - (ii) such part(s) of the building which are owned by landlord where the leased premises are located if the landlord does not own such whole building.