



Persatuan Pemaju Hartanah Dan Perumahan Malaysia
马来西亚房地产发展商会
Real Estate And Housing Developers' Association Malaysia
"Towards Sustainable Development"
Responsive | Respected | Responsible | Relevant

MEMBERS' CIRCULAR 15/2020

To : All REHDA Members

From : Datuk Sr. Charlie Chia Lui Meng
Secretary General

Cc : REHDA Branch Chairmen
REHDA Branch Secretariats

Date : 17 November 2020

RE : Appointment of Legal Advisory Panel for Court Cases related to Appeal for Variations of the Standard Sale and Purchase Agreement (SPA)

Dear Valued Members,

Kindly be informed that REHDA Malaysia is currently compiling information and details on a number of court cases involving amendments to the Schedule SPA under Act 118. As you all are aware, the Ministry of Housing and Local Government (KPKT), under Regulation 11(3) of the Housing Development Act (Control and Licensing) Act had granted approval to projects which have requested for variations to the standard Sale and Purchase Agreement (SPA) under Schedule G and H e.g. amendments to the time delivery of vacant possession, schedule of payment, moratorium and etc., prior to the sales of the project and execution of the SPA. The recent court decisions have ruled that the Controller has no power to waive or modify any provisions in the Schedules which means that all the approvals granted by KPKT, including those approved prior to sales / launching, are now ultra vires and null and void. The decision is seriously detrimental to all developers who are now exposed to possible claims for Late Ascertained Damages (LAD).

Following to this, REHDA has initiated and organised a Town Hall Session with various members on 14 August 2020 to deliberate on the matter and it was proposed that a panel of Senior Lawyers and Legal Experts be appointed to assist REHDA Malaysia and the Real Estate Industry in the preparation of legal arguments that will assist the Developer's Advocates in the defense of Developers facing court actions. If the funds permit, we also hope to engage a Senior Queen Counsel to advise on Contractual and Administrative Law.

We hope that the legal cost of this effort can be shared among REHDA members who agrees to join this initiative to enhance their preparation of their defence. Towards this end, we would like to appeal to all members to come forward and join us and agree to contribute RM10,000 per company towards defraying this legal cost. Your contribution would definitely go a long way towards the sustainability of this endeavor.

RE : Appointment of Legal Advisory Panel for Court Cases related to Appeal for Variations of the Standard Sale and Purchase Agreement (SPA) (cont'd)

We hope to collect a total sum of RM500,000 for this initiative and if the sum collected falls short of this target, we may not be able to proceed.

We sincerely hope that kind consideration be given to this initiative and we look forward to receiving your positive reply together with the attached Reply Slip by 30 November 2020.

Should you require further clarification, please do not hesitate to contact Ms Shirley Ho at 03-7803 2978 or email to shirley@rehda.com.

Thank you in anticipation.

Yours sincerely

REAL ESTATE & HOUSING DEVELOPERS' ASSOCIATION MALAYSIA



DATUK SR. CHARLIE CHIA LUI MENG
SECRETARY GENERAL

**Appointment of Legal Advisory Panel for Court Cases related to Appeal for Variations
of the Standard Sale and Purchase Agreement (SPA)**

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***REPLY SLIP***

Kindly fax the reply slip to 03-78035285 or email to [shirley@rehda.com](mailto:shirley@rehda.com) by 30 November 2020.

\_\_\_\_\_ (company name) would like to contribute **RM10,000**  
to support the appointment of the Legal Advisory Panel for Court Cases related to Appeal for Variations  
of the Standard Sale and Purchase Agreement (SPA).

Contact Person : .....

Contact No. : .....

Email Add. : .....

Company Add. : .....

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**Payment for Contribution Exercise is payable to:-**

**Bank draft / cheque : REHDA Malaysia**

**Public Bank Account No. : 3088280408**