



## MEMBERS' CIRCULAR 11/2021

To : All REHDA Members

From : Datuk Sr Charlie Chia Lui Meng  
Secretary General

Cc : REHDA Branch Chairmen  
REHDA Branch Secretariats

Date : 7 September 2021

**RE : SURVEY ON AMENDMENTS / VARIATIONS TO THE STANDARD SALE AND PURCHASE AGREEMENT (SPA) AND COLLECTION OF BOOKING FEE ISSUES**

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Kindly be informed that REHDA Malaysia is currently compiling information and details on the number of court cases involving amendments to the standard Sale and Purchase Agreement (SPA) under Schedule G and Schedule H. Following the Federal Court's decisions ruling in Ang Ming Lee's case that the Controller has no power to waive or modify any provisions in the Schedules of the standard SPA, this means that all the approvals granted by KPKT including those approved prior to sales / launching, are now ultra vires and null and void.

On another important court case that will affect most developers is the Federal Court's decision in January 2021 on the collection of booking fees. Based on the ruling, if developer fails to deliver vacant possession according to the time stipulated in the statutory SPA, the calculation of LAD begins from the date of payment of the booking fee and not from the date of the statutory agreement.

Following the decision, purchasers have been taking legal actions against developers for varying the scheduled period of completion as well as commencement of such claim from the date of booking fees. Such situation is seriously detrimental to all developers who are now exposed to extensive claims for Liquidated Ascertained Damages (LAD).

REHDA is currently discussing with the legal experts and seeking all the necessary advices and preparing actions to help the industry on this matter and would like to compile the relevant data from each developer to gauge the number of LAD claim cases involved, under the worst case scenario. The findings from this survey is **VERY VITAL** for REHDA to make representation to the relevant authorities. Please be assured that all information provided will be treated as **strictly confidential and no names or companies will be revealed as REHDA is only looking at the total number of the cases, booking fees issued and actions taken by developers.**

Attached herewith, please find the survey form for your necessary action. Kindly complete the survey form and return to REHDA Secretariat at 03-7803 5285 or email to [amal@rehda.com](mailto:amal@rehda.com) before **17 September 2021**.

Your participation in the survey is highly appreciated.

Thank you.

Yours sincerely

**REAL ESTATE & HOUSING DEVELOPERS' ASSOCIATION MALAYSIA**



**DATUK Sr. CHARLIE CHIA LUI MENG**  
**SECRETARY GENERAL**



**REHDA**

**SURVEY ON THE AMENDMENTS / VARIATIONS TO THE  
STANDARD SALE AND PURCHASE AGREEMENT (SPA) AND  
THE COLLECTION OF BOOKING FEES**

NAME OF DEVELOPER : \_\_\_\_\_ STATE : \_\_\_\_\_  
CONTACT PERSON : \_\_\_\_\_ POSITION : \_\_\_\_\_  
EMAIL ADD. : \_\_\_\_\_ CONTACT NO. : \_\_\_\_\_

Kindly complete the survey form and return to the Secretariat at 03-7803 5285 or email to [amal@rehda.com](mailto:amal@rehda.com) before **17 September 2021**. Please be assured that all information provided will be treated as **strictly confidential** and shall be used only as part of a total report.

**Details of project:-**

**Project Name** : \_\_\_\_\_

**1. Is your project facing any claim or legal suits from your purchasers on the following issue? Please tick (✓).**

- Amendment to the completion period to the standard SPA; and/or
- Collection of booking fees

**2. If yes, what is the estimated number of cases / purchasers involved?**

- Amendment to the completion period to the standard SPA \_\_\_\_\_
- Collection of booking fees \_\_\_\_\_

**3. If yes, what is the action(s) undertaken by your company:-**

\_\_\_\_\_  
\_\_\_\_\_

*(If you have more than 1 project, please fill in additional form using this same template)*

*~Thank you for your cooperation~*