

THE NEXT STEP FORWARD

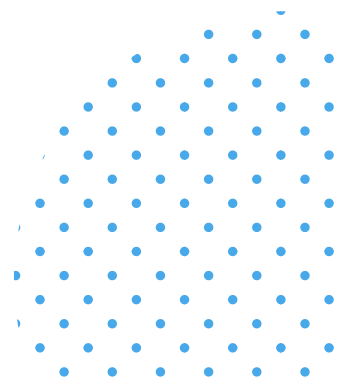
A FAQ GUIDE FOR
NIGHTLIFE ESTABLISHMENTS
ON PIVOTING & EXITING



CNBA
Singapore Nightlife Business Association

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ABOUT THIS GUIDE

Covid-19 has brought unprecedented changes to the nightlife entertainment landscape in Singapore and around the world. Many nightlife business operators experienced complete loss of income for this entire period and face enormous pressure to upkeep rental and operating costs. While there are some operators who have been able to resume operations in Phase Two gradual reopening as they have licences that allow them to operate as Food and Beverage (F&B) establishments, many operators are currently still not allowed to reopen.

Prepared by the Singapore Nightlife Business Association (SNBA), this guide is useful for operators looking at how to move forward amidst this Covid-19 period. It will help operators gain a better understanding of the pivoting and exiting options available, necessary licences to apply for and the processes involved for respective options.

It is notable that nightlife businesses are defined as pubs, nightclubs, discotheques, dance clubs, and karaoke outlets. This guide is applicable for the above business categories and covers companies that hold a SFA Food Shop (Pubs, Bars, Nightclubs, Discos) licence, and have not been permitted to operate since March 2020.

Should you require any further clarity on the various support measures, please email us at helpdesk@snba.org.sg or call 8875 2560/7460.



SELF-ASSESSMENT

Operators can take the self-assessment checklist found [here](#), to self-appraise if they are pivot-ready, and identify their strengths and gaps, or if the current business limitation do not permit a pivot but an exit.

This checklist serves as a reference guide for operators to consider their next steps and if pivoting is a viable option for them.

PIVOTING OF BUSINESS

Pivoting is a significant business change, ranging from mild to dramatic, usually intended to help a business recover from a tough period, or survive after experiencing new competition or other factors that make the original business model unsustainable.

One of the quickest and easiest pivot for nightlife business operators is to convert to F&B operations. The Government has exercised flexibility to the situation and allow operators to operate minimally a snack bar model where the requirements are simpler and easier to fulfil.

(I) PIVOTING PROCESS TO F&B OPERATIONS

Q1: How do operators go about changing their businesses to F&B operations?

Nightlife operators who wish to convert to F&B operations should first register their interest with the Ministry of Trade and Industry (MTI) through the Singapore Nightlife Business Association (SNBA) at helpdesk@snba.org.sg.

This will allow prioritisation of subsequent regulatory submissions to the relevant agencies.

Prior to making any application, operators are strongly encouraged to read the publicly available advisory note on pivoting process.

Q2: What do operators do next after registering with SNBA for prioritisation of their subsequent regulatory applications for F&B operations?

Operators will be directed to submit info through GoBiz Portal for eligibility check. Upon receiving an acknowledgement email from MTI, applicants will be directed to submit a form to URA, declaring compliance to a set of requirements before receiving URA's endorsement to temporarily convert premise into a F&B establishment, which is valid for one year.

Upon receiving URA's endorsement, applicant must apply to following agencies, where necessary, to obtain additional and/or new licences/approvals:

- a. Singapore Food Agency (SFA) - new application must be made for a restaurant or snack counter foodshop licence. Requests to amend existing licence will not be accepted.
- b. Singapore Civil Defence Force (SCDF) - to seek approval for plans to commence fire safety works, if required.



Q3: How long will the entire application process take?

The process to acquire the necessary licences and approvals from relevant agencies to change to F&B operations will take approximately 2 weeks from the date of submission of a completed application. If there are substantial changes to the layout for changing to restaurant, the process may take longer, depending on the type of renovation required.

Q4: When can operations as a F&B establishment start once all approvals & licences are obtained?

MTI's approval for applicants to commence operations will be contingent upon receiving approval from SFA on the new application for a restaurant or snack counter foodshop licence and applicant's change in SSIC code to reflect the correct business activity*.

**Note that applicants need not make a separate application to MTI to obtain approval to operate.*

(II) URA'S ONE-YEAR TEMPORARY CONVERSION

Q5: What is URA's one-year temporary conversion about?

For operators who choose to pivot to F&B operations from now till 31 March 2021, URA will allow them to revert to their original activity, provided such uses are permitted to operate under the prevailing COVID-19 regulations, and that the premises are not located in selected exclusion areas (see Q11.) where this temporary conversion does not apply.

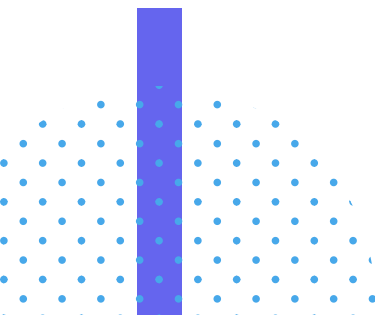
Operators are to ensure that the premise has valid approvals/licences for the last approved use before reverting to their former nightlife operations.

Q6: Is there any processing fee for this temporary conversion?

No processing fee is required for this one-year temporary conversion.

Q7: For operators whom have successfully applied for a change of use, and qualified for the one-year temporary conversion, will the earlier administrative fee be reimbursed?

The operators were already allowed to proceed with the restaurant use given URA's approval, and there is no need to re-apply for approval under the one-year temporary conversion scheme. As the change of use application was already processed and issued a decision (i.e. approval), the processing fees paid cannot be refunded.





Q8: What happens if the last permission for bar/pub/nightclub/karaoke expires during the duration of URA's one-year temporary conversion period?

URA is prepared to consider renewing the temporary permit for the nightlife establishment at a later stage when there is more clarity on the resumption of such activities under the prevailing COVID-19 regulations, provided the premises are not located in selected exclusion areas (see Q11.) where this temporary conversion does not apply.

Q9: Can the premise eventually revert to its original approved use, if operators were to successfully convert to F&B operations? Will they be able to retain their current licences (e.g. PE and Liquor licences)?

Operators whom have received URA's endorsement for a one-year temporary conversion to F&B operations will be able to revert their premises to the original approved use within one year from receiving the SFA Foodshop licence to carry out F&B operations, subject to the prevailing COVID-19 regulations and public health considerations associated with COVID-19. No change of use application is required.

Existing PE and Liquor licences which have been issued to operators will remain valid till their expiry date. Upon expiry of PE licence, operators who wish to provide PE other than the transmission of recorded music, will need to apply for a new PE licence, subject to such activities being permitted by the Government at time of application.

Q10: In what instances will URA's one-year temporary conversion not apply?

URA's one-year temporary conversion will not apply to:
operators whose premises are located in selected exclusion areas (see Q11.) and/or
operators converting their premises to commercial uses other than F&B.



Q11: Which are the selected exclusion areas?

Exclusion areas are locations with a high concentration of nightlife establishments and where there has been adverse feedback from surrounding residents or neighbours on resulting disamenities.

These locations are: **Orchard Towers, Riverside Piazza, Kampong Bahru Road and Boat Quay Conservation Area.**

Q12: What should operators located within the selected exclusion areas do since they are not eligible for the temporary conversion?

These operators would need to make a direct change of use application for a more permanent conversion to permitted activities to both URA* and SFA via <https://www.gobusiness.gov.sg/licences> to obtain the respective land use approval and licence. Processing fees associated with the change of use application and licence application will be payable.

**Note that applicants will need to seek their landlord's prior consent in applying for a change of use.*

Q13: Will these group of operators be able to revert to their original activity as a nightlife establishment?

For these operators who wish to revert to their original activity after successful conversion, they will be required to make new applications with URA and SFA to obtain the land use approval and licence to operate as a nightlife establishment, subject to prevailing COVID-19 regulations and guidelines, and site context at that point of time.

In areas where there is already a cluster of nightclubs or bars and there were disamenities caused by these uses to the surrounding residents or neighbours, the proposed change of use back to a bar, pub, nightclub, discotheque or karaoke establishment is unlikely to be supported, unless the ground situation has improved at that point.



(III) SFA FOODSHOP LICENCE (RESTAURANT/SNACK COUNTER)

Q14: For operators who have an existing SFA Foodshop licence under Pub/Bar/Nightclub/Disco (PBND), can they just change it instead of applying for a new licence?

Operators must apply for a new SFA Foodshop licence under Restaurant/Snack Counter and will not be allowed to amend their existing SFA Foodshop licences. Operators will not be able to hold both SFA Foodshop licence under PBND and that under Restaurant/Snack Counter concurrently.

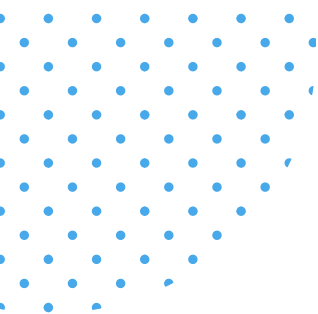
Q15: What is the difference between a SFA Foodshop Restaurant licence vs a SFA Foodshop Snack Counter Licence?

SFA Restaurant licence allows an operator to sell food that require extensive preparation or cooking. The operator needs to set up a full-fledged kitchen that has sufficient preparation and storage equipment, wash area, cooking range with exhaust system, etc.

The Snack Counter licence allows operators to sell food that can be cooked/heated up and do not require extensive food preparation, e.g. pizza (pre-packed frozen pizza from supermarket/factory), chicken wings, potato wedges, fishballs, etc. The operator will need basic cooking/heating equipment such as air fryers, microwaves, ovens etc. Unlike for a restaurant licence, they will not need to set up a full-fledged kitchen.

Q16: What is the application fee for a new SFA Foodshop licence?

A S\$195 licensing fee will be incurred for the application of a new SFA Foodshop licence.



Q17: What are the required submission documents for an application of a new SFA Foodshop licence under Restaurant/Snack Counter?

- a. Safe Management Measures* (SMMs) to be implemented at the outlet
- b. Copies of existing SFA Foodshop licence, SPF's Public Entertainment and Liquor licences
- c. Copy of MTI's acknowledgement email (see Q2.)
- d. Copy of URA's endorsement upon submission of declaration form (see Q2.)
- e. **[Only if there are changes to the layout]** Scaled layout plan, which includes:
 - Food preparation area of at least 10sqm, including proposed areas (if renovation has not commenced) and
 - Indication of all equipment such as the sinks, food equipment for the preparation of food, exhaust hood, air-cleaner and dishwasher, if any

*Refer to details on F&B SMMs [here](#).

Q18: Do operators need to remove their existing bar counters in order to convert premise into a F&B establishment?

For existing bar/pub operators, the current bar counter would already comply with the design requirement of a food preparation area to obtain a snack counter licence. However, the bar counter has to be repurposed for the serving or preparation of food and drinks for patrons to dine in.

Q19: Do nightlife premises need to undergo renovation in order to obtain the requisite licences for converting to F&B operations?

The renovation of premises would be required if there is a substantial change in the layout of the premise, such as putting up a full-fledged kitchen if one is converting to a restaurant.

Applicants should reach out to URA, SFA, or other relevant agencies to confirm if renovation is required, depending on the type of activity that applicants are converting to. Please be advised to refrain from committing on tenancy or renovation works before receiving confirmation from the relevant agencies.

Q20: What other requirements must be demonstrated to show that nightlife establishments have successfully converted to F&B establishments?

Operators are required to comply with the following requirements:

- a. There must be a kitchen or food preparation area located within the premises to prepare and serve food
- b. The premises will be operated as a F&B establishment for the sale and consumption of food at all times
- c. There is adequate indoor dining area for customers to be seated to consume their food/meals
- d. There is no live entertainment at the premises
- e. The SMMs and regulations for F&B establishments will be complied with at all times.

Q21: What should converted F&B establishments avoid doing to prevent revoking of their licences and cessation of business operations?

- a. There should not be any prominent display of alcohol, e.g. transparent alcohol shelves or cabinets
- b. There should not be any bar-related signages or paraphernalia that would give public the idea or perception that it is a place primarily for liquor or alcoholic drinking.
- c. Smoking rooms are not allowed within the F&B establishment. Existing smoking rooms must remain closed.
- d. The sale and consumption of alcoholic beverages is prohibited after 10.30pm daily under the COVID-19 (Temporary Measures) (Control Order) Regulations 2020.
- e. There must not be loud music playing on the premises that exceeds 60 decibels, as stipulated in the COVID-19 (Temporary Measures) (Control Order) Regulations 2020.

Q22: Can operators collaborate with a neighbouring F&B outlet to serve food at their premises?

Operators may only work with another F&B establishment if the supplying establishment holds a food processing establishment licence from SFA. Nonetheless, nightlife operators would still be required to convert to an F&B establishment or other permitted commercial use in order to reopen.

(IV) PIVOTING PROCESS TO NON-F&B OPERATIONS

Q23: How do operators go about changing their businesses to non-F&B operations?

Operators that wish to pivot to other commercial uses should submit their change of use application directly to URA through the [GoBusiness portal](#). Refer to the 'Considerations for Property Use' on URA's [website](#) to learn more about the different uses and guidelines.

Operators should also reach out to the following agencies to obtain the necessary licences and comply with the prevailing SMMs of the respective sector:

Business Activity	Agency
Movie screening	IMDA (Film Exhibition Licence)
Amusement centre, LAN or computer gaming centre, billiard saloon, paintball games centre, axe-throwing centre	SPF (Public Entertainment Licence)

Prior to making any application, nightlife operators are strongly encouraged to read the publicly available advisory note on pivoting process.

Q24: Will the premise be able to revert to its original approved use, if they were to successfully convert to non-F&B operations? Can the current licences (e.g. PE and Liquor licences) be retained?

For approved plans to change to commercial uses other than F&B establishments, subsequent reversions to the original use would depend on the prevailing guidelines and site context at that point in time.

Existing PE and Liquor licences which have been issued to operators will remain valid till their expiry date. Upon expiry of PE licence, operators who wish to provide PE other than the transmission of recorded music, will need to apply for a new PE licence, subject to such activities being permitted by the Government at time of application.



Q25: How long will the entire application process take?

The process to acquire the necessary licences and approvals from relevant agencies will be expedited but is dependent on the type of commercial use operators are pivoting to.

Q26: What are the fees involved for the pivot to non-F&B operations?

Operators will be required to pay the processing fee associated with the change of use application and obtaining other permits/licences, depending on the type of activity the operator is converting to.

Q27: When can operations commence once all approvals & licences are obtained?

MTI's approval for applicants to commence operations will be contingent upon receiving approval from URA and/or the relevant regulatory agencies for any licensing changes and applicant's change in SSIC code to reflect the correct business activity.

(V) OTHER FREQUENTLY ASKED QUESTIONS

Q28: Can PE licence validity period be extended, or licence fees be refunded, if an operator is permitted to operate PE in the same premise in future?

PE Licence is valid only for the period stated in the licence and the period cannot be varied. For PE licensees who decide to terminate their licence as a result of the COVID-19 situation, and wish to seek a refund of the paid licence fees, the Singapore Police Force (SPF) will assess each request on a case by case basis and refund the licence fee fully if there are merits to do so.

The operator may apply for a new PE licence in the future, but the application will be assessed based on its merits and subject to the prevailing laws and policies.

For specific queries, please email to the Police Licensing & Regulatory Department at SPF_Licensing_Feedback@spf.gov.sg.

Q29: Can operator retain its PE licence if it choose to remain close and reopen at another location when its business is permitted to resume?

The PE licence will remain valid for the period stated in the licence for the current location. The operator may apply for a new PE licence in the future for the new location, but the application will be assessed by the Police based on its merits and subject to the prevailing laws and policies.

Q30: Do nightlife businesses need to change their Singapore Standard Industrial Classification (SSIC) code if they are changing business activity?

Nightlife businesses are required to change their SSIC code if their current code is not reflective of their new business activity. Operators who have converted to permitted activities should notify Accounting and Corporate Regulatory Authority (ACRA) by updating the changes of their company's information on BizFile+ within 14 days. You may login your CorpPass [here](#).



Q31: Do operators need to apply for a new fire safety certificate?

Operators should only apply for a new fire safety certificate with SCDF if substantial changes to the layout of the premise (e.g. renovation) have been made, which require fire safety works.

Such fire safety works include change in design and layout of fire compartments or spaces that affect means of escape, relocation of safety products (e.g. hose-reels, fire alarm panels, emergency exit signs, fire doors/doors which affect the means of escape), etc.

Operators who wish to commence or carry out any proposed fire safety works in any building shall apply in accordance with the Regulations made under the Fire Safety Act to SCDF for approval of the plan for fire safety works. Such plans shall be prepared and submitted by Qualified Persons (QPs) who are registered architects or professional engineers on behalf of the building owners. Upon full completion of all fire safety works, the QP engaged by operator must apply and obtain the fire safety certificate before using or occupying the premises.

Q32: For premises with an approved smoking room, is there a need to apply to the National Environmental Agency (NEA) again after converting?

Smoking rooms are not allowed within the F&B establishment, and all existing smoking rooms must remain closed during the period of conversion from a nightlife establishment to F&B establishment.

When the premise is converted back to a nightlife establishment, the previously approved smoking room, which is tied to the PE licence, may resume operations, subject to prevailing regulations on smoking facilities.

In the event that the PE licence is not renewed by the time of reversion, the smoking room must remain close until a valid PE licence is obtained.

(VI) GRANT SUPPORT

Q33: What assistance is available for operators that wish to convert operations to a permitted activity?

Nightlife operators who wish to convert to F&B operations may apply to Enterprise Singapore (ESG) through SNBA at helpdesk@snba.org.sg for a grant of up to S\$50,000 to defray qualifying costs incurred during the pivoting process such as costs related to refurbishment works, and the purchase of kitchen and service equipment.

For operators who wish to pivot to other permissible businesses besides F&B, applications will be assessed on a case-by-case basis.

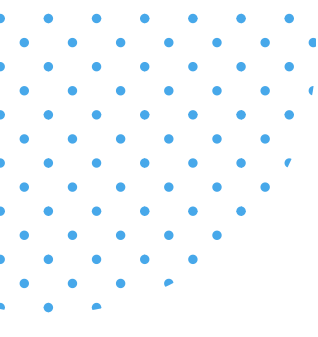
Q34: When can companies start to apply for the grant?

The grant support will be effective until 31 March 2021. Applications should be submitted to ESG by 31 March 2021.

Q35: What are the eligibility criteria for this grant?

- Applicant must be a F&B or entertainment business that is not permitted to open based on existing COVID-19 guidelines*
- Applicant must obtain in-principle approvals (or similar documentation) from relevant authorities to pivot to a permitted business activity
- Applicant should not have received prior grant support for pivoting or business closure
- Applicant must be a business entity that is registered/incorporated in Singapore

**Company with SSIC 56130 (Pubs/Bars), 93203 (Nightclubs, Discotheques, Dance Clubs and or company with SFA Foodshop licence under PBND. Applicants not belonging to this group will be considered on a case-by-case basis.*



Q36: Can companies that do not meet the minimum 30% local shareholding requirement apply for the grant?

For purposes of pivot support, ESG is willing to assess such requests on a case-by-case basis.

Q37: Can companies which have pivoted to permitted activities prior to the effective date of the grant qualify on a retrospective basis?

For nightlife operators who had taken the initiative to change their business activity earlier, ESG is prepared to extend the pivot grant support on a case-by-case basis.

Operators may write in to SNBA at helpdesk@snba.org.sg to appeal for the pivot grant support, which will be assessed by ESG subsequently.

Q38: What are the supportable cost items under this grant?

1. Renovation & Fit out costs:

- a. Installation of mechanical & electrical systems to comply with regulatory requirements (e.g. cleaning exhaust management systems & cooking ranges for restaurants)
- b. Basic refurbishment required to remodel the premises (e.g. repainting, disposal of fixtures/furniture)

2. Hardware/Software costs:

- a. Cost of procuring basic equipment & digital systems (e.g. cooking equipment, refrigeration equipment & basic furniture)
- b. Pre-scoped items under Productivity Solutions Grant (PSG) will not be supported

3. 3rd-Party Consultancy costs:

- a. Business consultancy for workflow redesign & basic business advisory (e.g. specific guidance on costing, sourcing of suppliers & partners, orientating & retraining staff)
- b. Marketing & PR services will not be supported

**For more details on examples of supportable items, please contact SNBA at helpdesk@snba.org.sg.*



Q39: How do applicants submit the grant application?

Applicants will have to submit online grant application via the [Business Grants Portal](#) with all necessary supporting documentation after applying through SNBA.

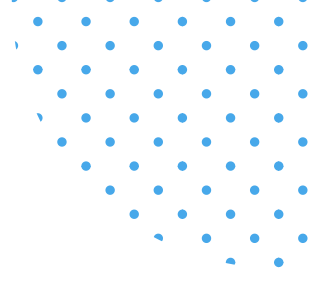
Q40: What are the supporting documents required for submission?

- Documentation by URA approving companies' application for a temporary conversion into a Restaurant/Snack Counter (See Q2.) OR
- Documentation by URA showing Change of Use approval for other permitted business activities (e.g. Shop, Amusement Centre, Fitness Centre, etc.) must be obtained.
- In-principle approval by SFA for a Restaurant/Snack Counter licence
- Proposal for new business activity

Q41: What is the percentage of supportable grant amount successful applicants will receive upon grant approval?

As the grant works on a reimbursement basis, the approved supportable grant amount will only be disbursed upon applicant's completed claims submission via the online portal.

However, to facilitate cashflow needs, a Cash Advancement (CA) of 20% of the approved supported grant amount will be made available. Applicants will need to make a separate request for the CA upon grant approval.



Q42: Will there be additional grant support for companies with multiple outlets under one business entity?

Pivoting support will be provided on a per entity/UEN basis. Applicants with multiple outlets per business entity/UEN will not be eligible for additional support.

Q43: Is there a timeframe for applicants to complete their pivot?

To encourage companies to hasten the pivot process, it is recommended that the project period (i.e. the maximum amount of time companies have to complete their renovation, purchasing of equipment & any consultancy for pivoting) will be capped at **3 months**. For example, if the start date indicated on the grant application is 1 Dec 2020, the project must be completed by 1 Mar 2021.

Q44: What do grant recipients have to fulfil by the end of the 3-month project period to demonstrate project completion?

There must be:

1. Successful reopening of the business in a safe manner, as per the manner declared in the company's grant proposal
 - a. Proof of new regulatory licences obtained will need to be submitted
 - b. Adherence to prevailing F&B SMMs

Agencies' Safe Distancing Ambassadors may be deployed to conduct spot checks on operations and menus

2. Submission of proof of implementation (e.g. photo evidence of equipment deployed)

Q45: What are the documents required for claims submission?

- Proof of project completion (see Q44.)
- Supporting documents for audit of expenses incurred – invoices, bank statements etc

EXITING OF BUSINESS

Nightlife establishments will not be able to reopen in their original form for some time. The settings of nightlife activities entail a large number of people coming into close contact for prolonged periods of time, and often in enclosed spaces, which pose a higher risk of COVID-19 transmission. Hence, the Government is taking a cautious approach in the reopening of this sector and must ensure that the public health risks associated with COVID-19 could be mitigated before doing so.

As such, the Government will provide support to affected nightlife businesses that wish to exit the industry.

For clarity on the exit support package, please contact SNBA at helpdesk@snba.org.sg.



(I) EXIT SUPPORT PACKAGE

Q1: What are the available support measures for operators who choose to exit?

Companies can apply to ESG through SNBA at helpdesk@snba.org.sg to seek:

- An ex-gratia payment of S\$30,000 to defray costs associated with the cessation of business
- Financial support to offset one month of Retrenchment Benefits (RB) to local employees, capped at the industry median monthly wage of S\$3,000 per employee*

**Companies are strongly encouraged to adhere to the advisories, including the provision of RB to help affected employees while they search for employment & match or provide RB beyond the limits of the financial support provided by the Government.*

Q2: What if a company is unable to honour RB amounts provided in the employment contract or RB is not contractually specified?

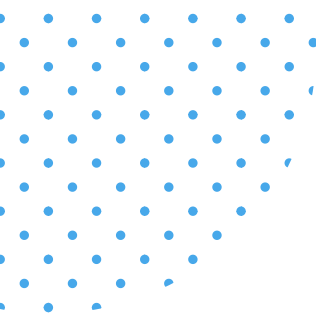
If company is unable to do so due to financial circumstances, employers should negotiate with the unions/employees on a mutually acceptable retrenchment benefit package.

If RB is not contractually specified, employers should refer to the Ministry of Manpower (MOM)'s [Tripartite Advisory on Managing Excess Manpower and Responsible Retrenchment](#) and [Advisory on retrenchment benefit payable to retrenched employees as a result of business difficulties due to COVID-19](#) in deciding on the quantum of RB.

Q3: Is there any RB support available for foreign employees who have been retrenched?

Employers are strongly encouraged to adhere to the advisories, including to provide retrenchment benefits to help all affected employees, both local and foreign.

In the event of a dispute, employees who wish to seek assistance can approach MOM for assistance. Employees with contractual claims (i.e. RB spelt out in the employment contract or collective agreement) for RB will be referred to the Tripartite Alliance for Dispute Management to file their claims. More details can be found [here](#).



Q4: When can companies start to apply for the grant?

The grant support will be effective until 31 March 2021. Applications should be submitted to ESG by 31 March 2021.

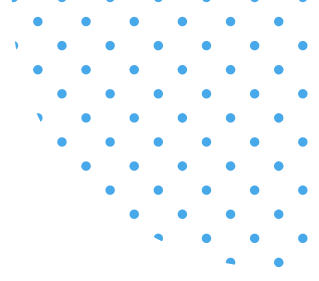
Q5: What are the eligibility criteria for this grant?

- Applicant must be a F&B or entertainment business that is not permitted to open based on existing COVID-19 guidelines*
- Applicant should be registered with ACRA
- Applicant should not have received prior grant support for pivoting or business closure

**Company with SSIC 56130 (Pubs/Bars), 93203 (Nightclubs, Discotheques, Dance Clubs and or company with SFA Foodshop licence under PBNB). Applicants not belonging to this group will be considered on a case-by-case basis.*

Q6: Can companies that have exited the industry or are in the process of doing so, qualify for the exit support package?

Such companies may qualify for the exit support package if they are still registered with ACRA at the point of application. The retrenchment benefit support will be tied to the number of local employees at the point of application. Employers who have retrenched their employees and provided the retrenchment benefit prior to the effective date of the exit support package may write to SNBA at helpdesk@snba.org.sg. Such appeals will be assessed by ESG on a case-by-case basis.



Q7: Can companies which are undergoing retrenchment but not intending to exit the industry qualify for the RB support?

Only companies which are exiting the industry are eligible for the RB support. Companies which are currently participating in the pilot or suspending operations temporarily will not qualify.

Q8: Can companies which have taken up the pivot grant support but later decide to cease business still qualify for the exit support package?

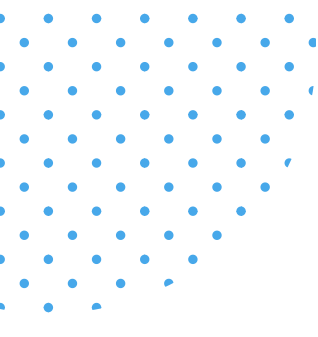
Companies which have received the pivot grant will not be eligible for the exit support package. Companies are strongly advised to consider the available options and make their own business assessment on the next steps prior to any application for support.

Q9: Can companies which took up the exit support package still reopen when restrictions on nightlife establishments relax in future?

The exit support package is intended for companies which are exiting from the industry. Companies which took up the exit support will not be allowed to participate in the pilot or reopen as a nightlife business for the next 12 months. Companies are encouraged to consider the options and make their own business assessment before application.

Q10: What are the supportable cost items under this grant?

- **Ex-gratia grant of S\$30,000:**
 - a. Costs associated with the cessation of business, including but not limited to early lease termination costs, reinstatement costs, and labour related costs
- **Opt-in Retrenchment Benefits (RB), capped at S\$3,000/local employee:**
 - a. Only applicable for Singaporeans and PR
 - b. Employees must be employed by the company at the point of grant application*. ESG will check against CPF data to confirm employment status.
- **Audit Fees (for applicants who requested for RB support), supported at 100% based on actual expenses incurred**



Q11: Can employers use the financial support payout for RB to fulfil other employment obligations e.g. outstanding salary?

No. Employers should continue to fulfil existing statutory/contractual obligations using their own finances. Failure to pay salary constitutes an offence under the Employment Act.

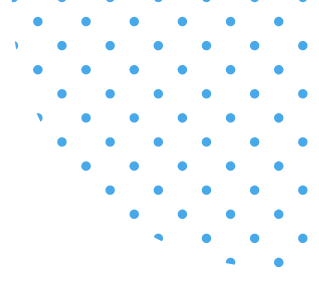
Q12: How do applicants submit the grant application?

Application forms will be made available via SNBA. SNBA will also assist in helping companies confirm their eligibility for the grant and companies can then apply to ESG thereafter.

Q13: What are the supporting documents required for submission?

1. **Completed grant application form**
2. **MTI's notification of eligibility**
3. **Company's ACRA records**
4. **Completed GIRO form**
5. **Companies applying for RB support will also need to submit:**
 - a. Completed application form Annex A
 - b. Latest employer CPF submission statement*
 - c. Payslips for each local employee

**In general, CPF submission statements should be for the months of Sept or Oct 2020. If unavailable, CPF statements from Jun onwards will be deemed acceptable.*



Q14: How will the grant application be processed?

ESG will process the grant as per the company's request. For companies applying for RB support, the following checks will be made:

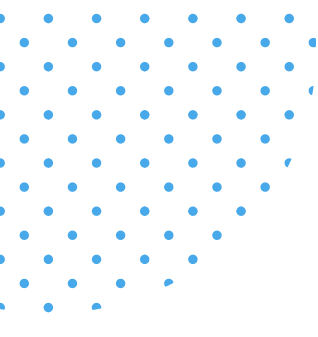
- A company will only be able to request RB support for employees whose records are included in the company's latest CPF submission statement
- Company's requested RB amount for each SG/PR employee will be checked against each employee's payslip
- Any appeals will be assessed on a case-by-case basis, and need to be justified with CPF statements prior to the date of scheme announcement
- Clarifications will be made with companies who request RB support for fewer employees than the records found in their past CPF submission statements. In general, support should be requested for all SG/PR staff that are still in employment at the point of application.

Q15: How will applicants know if their application is approved?

Upon completion of processing, a Letter of Offer stipulating the amount of support, commitments as well as the claims form will be sent to companies via email. Companies will need to reply within 2 weeks to acknowledge the letter.

Q16: What is the percentage of supportable grant amount successful applicants will receive upon grant approval?

To facilitate cashflow needs, an advancement of 50% of the ex-gratia amount will be made available upon acknowledgment of Letter of Offer.



Q17: Will there be additional grant support for companies with multiple outlets under one business entity?

Exit support will be provided on a per entity/UEN basis. Applicants with multiple outlets per business entity/UEN will not be eligible for additional support.

Q18: What do grant applicants have to fulfil for the remaining grant amount to be disbursed?

Successful grant recipients need to fulfil the following commitments by 30 June 2021 for the remaining grant amount to be disbursed:

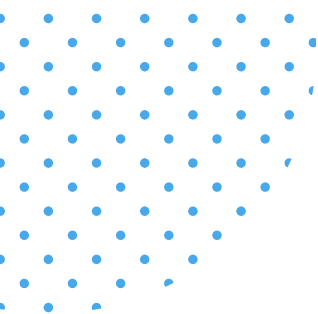
1. Submission of the completed claims form

2. Commencement of business closure. Proof of commencement will need to be submitted. Examples of acceptable documentation include:

- Strike-off notice from ACRA
- Proof of participation in the Simplified Insolvency Programme
- Notice of Winding-up Order and proof of engaging liquidator(s) for companies undergoing compulsory winding up or
- Proof of appointment of provisional liquidator for companies undergoing voluntary winding up

3. Surrender of all operating licenses, e.g.

- Singapore Police Force (SPF) licenses (e.g. Liquor license, Public Entertainment license)
 - Singapore Food Agency Foodshop license
- License surrender can be done via the [GoBusiness Licensing Portal](#). Proof of surrender (e.g. screenshot, printout) will need to be submitted



Q19: How about grant recipients claiming RB support? What else is required for claims submission?

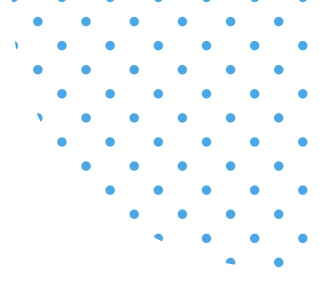
Grant recipients claiming RB support will have to engage an auditor from ESG's pre-qualified panel of auditors, and submit the completed Audit Report for the claims.

Supporting documents to be audited are as follows:

- Bank statements, as proof of payment to each local employee
- Declarations co-signed by employer and employee. A sample declaration form will be sent to companies as part of the Letter of Offer
- Latest CPF submission statement prior to claims submission. To prevent abuse, companies will only be able to claim RB support for employees whose records are found on both CPF submission statements (i.e. submitted at point of application and submitted at point of claims).

ESG takes a serious view on any attempt to abuse the scheme. Clawbacks will be requested from grant recipients which do not fulfill the above commitments. Further legal action will be taken if any advancement is not returned. Legal action will also be taken against errant employers who claim to have paid out RB to their local employees but are found to have not done so.

(II) OTHER FREQUENTLY ASKED QUESTIONS



Q20: Are there any other support schemes for retrenched workers by the Government?

Workers who have been involuntarily unemployed due to retrenchment or contract termination, or are currently experiencing salary reduction due to cost-cutting measures, may apply for the COVID-19 Support Grant by the Ministry of Social and Family Development (MSF). More details of the grant, including the eligibility criteria can be found on MSF's website [here](#).

Workers may also refer to Workforce Singapore (WSG)'s website [here](#) for resources on seeking alternative employment.

Q21: Are there any financial support provided under the Ministry of Law's Simplified Insolvency Programme (SIP)?

The Simplified Insolvency Programme assists micro and small companies that require support to restructure their debts or wind up the company. There will be a co-payment component for applicant companies under the programme. More details will be announced in due course.

Q22: How is the Government intending to support businesses who may have suffered significant impairment in fulfilling their contracts?

The Government recognises that COVID-19 is an unforeseen event and some businesses may be faced with substantial obligations from contracts entered into before the pandemic.

The Ministry of Law has introduced a legislative Re-Align Framework under the COVID-19 (Temporary Measures) Act to allow businesses which have experienced a substantial change in circumstances due to COVID-19, to renegotiate certain prescribed contracts with their counterparties, failing which they may be able to terminate the contract. For more details, please visit go.gov.sg/re-align.

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