

SABAH

# RENT CONTROL (BUSINESS PREMISES) ENACTMENT, 1965

(Sabah No. 1 of 1966)

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DICETAK DI JABATAN CETAK KERAJAAN, OLEH DATUK HAJI NOOR ARIFFIN LOKMAN, PENCETAK KERAJAAN, SABAH, MALAYSIA 1974

# RENT CONTROL (BUSINESS PREMISES) ENACTMENT, 1965

(No. 1 of 1966)

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# RENT CONTROL (BUSINESS PREMISES) ENACTMENT, 1965

(No. 1 of 1966)

An Enactment to provide for the control of rents payable in respect of business and commercial premises; for the restriction of the eviction of tenants of such premises; for the appointment of Tribunals to administer the control of rents; and for matters incidental thereto and connected therewith.

[1st July, 1966]

ENACTED by the Legislature of the State of Sabah as follows—

#### PART I

#### PRELIMINARY

1. (1) This Enactment may be cited as the Rent Control Short title, (Business Premises) Enactment, 1965, and shall come into commencement and operation upon such date as the Yang di-Pertua Negara duration. may, by notice in the Gazette\*, appoint.

(2) This Enactment shall continue in force for a period of one year from the date of commencement thereof:

Provided that the Legislative Assembly may from time to time by resolution extend the duration of this Enactment for such period, not exceeding one year at any one time, as may be specified in such resolution.

2. (1) In this Enactment, unless the context otherwise Interpretarequires—

tion and application.

"business premises" means any cubicle, room, portion of a floor, floor or building which is the subject of a separate letting and which is used wholly or primarily for the purpose of any trade, business or profession, and any hotel, whether or not such hotel is held by the keeper thereof under one tenancy or is contained in one building or more than one building;

"maximum permitted rent" with respect to any business premises, means the standard rent of such premises together with such increases thereof, if any, as are expressly permitted by any of the provisions of this Enactment:

<sup>\*</sup> In force 1st July, 1966-see G. N. S. 76/66

"Minister" means the Minister for the time being having responsibility for matters relating to local government;

"possession order" means any order or judgment of a court for the recovery of possession of premises or for the ejectment of a tenant therefrom;

"relevant date" means the first day of July, 1965;

"rent" means the gross amount paid by a tenant for occupation of premises, and includes any particular liability or outgoing whatsoever payable by the tenant to or on behalf of the landlord, and any consideration, whether pecuniary or otherwise, payable by the tenant as the condition of the grant, renewal or continuance of the tenancy;

"rent order" means an order fixing or varying the standard rent of business premises made by a Tribunal under paragraph (a) or (b) of subsection (1) of section 15 of this Enactment;

"standard rent" with respect to any business premises means the standard rent of such premises ascertained or fixed in accordance with the provisions of this Enactment;

"tenancy" means any lease, demise, letting or holding of premises, whether oral or in writing, by virtue whereof the relationship of landlord and tenant is created; and "tenancy agreement" shall be construed accordingly;

"tenant" means the tenant of premises in respect of which a tenancy exists, and includes a statutory tenant and, in the case of a sub-tenancy, a sub-tenant to whom the premises or part thereof are let;

"Tribunal" means a Tenancy Tribunal established under section 11 of this Enactment, and in relation to any business premises means the Tribunal having jurisdiction in which such premises are situated.

(2) Nothing in this Enactment shall apply to any tenancy in which the State is the landlord, or to any tenancy for a term certain of three years or upwards where the tenancy agreement contains no provision for the earlier determination of the same other than for a breach of the said agreement.

#### PART II

### RENT AND PREMISES

Standard rent. 3. (1) The standard rent of any business premises which were first let as such on or before the relevant date and in

respect of which no rent order has been made shall-

- (a) where such premises were so let on the relevant date, be the rent at which they were let on that date: or
- (b) where such premises were not so let on the relevant date, be the rent at which they were last so let before that date:

Provided that in the case of any such premises which were let under a tenancy agreement providing for a progressive rent certain, the standard rent shall be the maximum rent payable under such agreement.

- (2) The standard rent of any business premises which were or are first let as such after the relevant date and in respect of which no rent order has been made shall be the rent at which they were first so let after that date.
- (3) The standard rent of any business premises in respect of which a rent order has been made shall be the rent for the time being fixed by such order.
- 4. (1) After the expiration of a period of six months Applications after the date of commencement of this Enactment, no per- for rent son shall let any business premises for the first time unless he has applied to the Tribunal for, and obtained, a rent order in respect of such premises.

- (2) The landlord or the tenant of any business premises may at any time apply to the Tribunal to vary the standard rent of such premises.
- (3) Any person who contravenes the provisions of subsection (1) of this section shall be guilty of an offence and shall be liable to a fine of five thousand dollars.
- 5. (1) No landlord shall receive or recover, or attempt Restriction to receive or recover, a rent in respect of business premises on rent increase in excess of the maximum permitted rent.

(2) Where, as a result of any transfer to a tenant of any premium burden or liability previously borne by the landlord, the terms on which any business premises are let are on the whole less favourable to the tenant than the previous terms, the rent shall, for the purposes of this Enactment, be deemed to be increased whether or not the sum periodically pay by way of rent is increased.

(3) No person shall, as the condition of the grant, renewal, transfer or continuance of a tenancy, require the payment of any fine, premium or any like sum, or the giving of any other valuable consideration in addition to the rent.

and prohibition of

- (4) Any sum or valuable consideration received in contravention of any of the provisions of this section shall be recoverable from the person so receiving it by the person from whom it was received.
- (5) Any person who contravenes any of the provisions of this section shall be guilty of an offence and shall be liable for a first offence to a fine of five thousand dollars and for a second or subsequent offence to a fine of ten thousand dollars, and upon the hearing of any proceedings under this subsection the court may, whether the accused is convicted or not, and in addition to any penalty which may be imposed on conviction, order the accused to pay any such sum or return any such consideration as is mentioned in subsection (4) of this section.
- (6) No proceedings under subsection (5) of this section shall be instituted without the written consent of the Attorney-General.

Statement of standard rent to be supplied.

- 6. A landlord of business premises shall, on being requested in writing by his tenant, supply to the tenant a statement in writing specifying—
  - (a) the standard rent of such premises;
  - (b) the increases, if any, permitted by this Enactment which make up any difference between such standard rent and the rent currently payable by the tenant,

and if without reasonable excuse such landlord fails within fourteen days after receipt of such request to supply such statement, or supplies a statement which is false in any material particular, he shall be guilty of an offence and shall be liable to a fine of five hundred dollars.

Permitted increases of rent.

- 7. (1) Where a landlord of business premises has, since the reference date, incurred any costs, charges or expenses for any improvements to or for the benefit of such premises for the purpose of constructing roads, sewers or drains, or the installation of modern sanitation, or for any purpose under and in accordance with the provisions of any written law, or by written agreement with the tenant, then the landlord shall be entitled to increase and receive and recover a rent in excess of the standard rent, and the amount of such increase shall, in default of written agreement between the landlord and the tenant for the time being, be fixed by the Tribunal upon the application of the landlord.
- (2) Where any rate or cess payable by the landlord in respect of any business premises under the provisions of any written law has been or is increased at any time after the reference date, then the landlord shall be entitled to

(3) Where as part of a tenancy agreement of business premises furniture is provided by the landlord for the use of the tenant, the landlord shall, unless there exists a rent order fixing the combined rent of the premises and furniture, be entitled to make such a charge for the use of such furniture (whether expressed by way of rent or otherwise) as, having regard to the value of the same to the tenant, is reasonable:

#### Provided that—

- (a) no such charge shall be recoverable until the landlord has specified by notice in writing to the tenant the consideration, howsoever expressed, which he attributes to such furniture:
- (b) where any charge is made in respect of furniture under this subsection which exceeds the reasonable value of such furniture, the excess shall be treated as if it were a fine or premium required to be paid as a condition of the grant, renewal, transfer or continuance of the tenancy and section 5 of this Enactment shall apply thereto accordingly.
- (4) Nothing in this section shall be deemed to permit the increase of rent by a landlord in breach of a tenancy agreement.
- (5) For the purposes of this section, "the reference date" means the date by reference to which the standard rent of the premises concerned is determinable under subsection (1) or (2) of section 3 of this Enactment or, as the case may be, the date of a current rent order in respect of such premises.
- 8. For the purposes of this Enactment, where a tenant Shared has the exclusive occupation of any separate accommodation accommoand the terms on which he holds the same include the use deemed to of other accommodation which is shared in common with any other person, including the landlord, then such separate in a accommodation shall be deemed to be the subject of a separate letting, and the separate and the shared accommodation shall be deemed to be premises comprised in the tenancy.

9. Where the tenant of any business premises has sublet statement the whole or any part thereof he shall, within fourteen days of subletting to be after the subletting, or, in the case of a subletting before the provided.

date of commencement of this Enactment, within three months after that date, supply the landlord with a statement in writing of such subletting, giving particulars of occupancy including the name of the sub-tenant and the rent charged, and if without reasonable excuse such tenant fails so to supply such statement or supplies a statement which is false in any material particular he shall be guilty of an offence and shall be liable to a fine of one thousand dollars:

Provided that it shall not be necessary to supply such a statement where the particulars to be given therein as to the rent and other conditions of the sub-tenancy would be the same as in the last statement supplied in accordance with the requirements of this section with respect to a previous subletting.

Apportionment of rent in case of subletting.

- 10. (1) Where the tenant of any business premises has sublet any part of such premises, the tenant or sub-tenant of that or any other part of such premises may at any time apply to the Tribunal to apportion the rent of the whole premises as between the tenant and all the sub-tenants of any part or parts of the whole premises, and to determine the rent of all or any one or more part or parts of the whole premises sublet to any and every sub-tenant thereof.
- (2) Where the premises concerned in any application or proceedings before a Tribunal are sublet by the tenant either wholly or in part, the Tribunal may, in addition to fixing the rent of the tenancy as a whole, and subject to the provisions of this Enactment, fix the rent of any portion of such premises which is separately sublet.
- (3) Where a Tribunal makes a determination on an application under this section the total of the rents payable to the tenant by all the sub-tenants shall not in the aggregate exceed one hundred and ten per centum of the rent payable in respect of the whole premises after making an apportioned reduction in respect of any part of the premises retained by the tenant or not sublet by him.

# PART III TENANCY TRIBUNALS

Establishment etc. of Tribunals.

- 11. (1) The Minister shall establish such number of Tenancy Tribunals as he may consider necessary for the proper administration of this Enactment, and each such Tribunal shall exercise jurisdiction within such area as the Minister may specify.
- (2) Each Tribunal shall consist of a Chairman and not more than four other members who shall be appointed by the Minister.

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- (3) Subject to the provisions of subsection (4) of this section, a member of a Tribunal shall hold office for such period not exceeding three years as the Minister may specify in the appointment of such member but shall be eligible for re-appointment.
- (4) The office of a member of a Tribunal shall become vacant---
  - (a) upon his death:
  - (b) if he be declared an insolvent or bankrupt;
  - (c) if he be declared to be of unsound mind:
  - (d) if he resigns his office by writing under his hand addressed to the Minister; or
  - (e) if he is convicted of any criminal offence involving fraud or dishonesty or is sentenced to imprisonment without the option of a fine in respect of any other criminal offence.
- 12. (1) Whenever any member of a Tribunal is absent Temporary from Sabah, or is unable to fulfil his functions as such member by reason of sickness or from any other unavoidable cause, the Minister may appoint a temporary member to take his place.

- (2) Where a temporary member is appointed under this section in place of the Chairman of a Tribunal such temporary member shall be an ordinary member of the Tribunal and such member of the Tribunal as the Minister may appoint shall, for all the purposes of this Enactment, be the Chairman of the Tribunal during the absence or incapacity of the substantive Chairman.
- (3) Any appointment made under this section shall terminate when the circumstances which gave rise to it cease to exist.
- 13. (1) Three members of a Tribunal, of whom the Proceedings Chairman shall be one, shall form a quorum for the transaction of the business of the Tribunal:

Provided that if the Chairman be disqualified in respect of any matter under the provisions of section 14 of this Enactment, three other members shall form a quorum for the purpose of the consideration of such matter, and for that purpose the members present shall elect a temporary chairman from among their number.

(2) All questions that may come before a Tribunal shall be decided by the opinion of a majority of the members present, and in the event of an equality the Chairman shall. in addition to his vote as a member, have a casting vote.

(3) The proceedings of a Tribunal shall be open to the public and the Chairman shall keep or cause to be kept minutes of the same, including a note of any oral evidence given before the Tribunal:

Provided that the Tribunal may consider its decision in private and no minutes need be kept of such consideration.

- (4) Any party to any proceedings before a Tribunal may appear before the Tribunal either personally or by his advocate, and a Tribunal may allow any other person who proves to the satisfaction of the Tribunal that he has a legal interest in such proceedings to appear similarly.
- (5) The proceedings of a Tribunal shall be deemed to be judicial proceedings and the members thereof to be public servants within the meaning of the Penal Code.
- (6) All orders, summonses and notices issued under the hand of the Chairman of a Tribunal shall be deemed to be issued by the Tribunal.

Interest of members of Tribunal in any matter.

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- 14. (1) No member of a Tribunal shall vote upon or take part in or be present as a member at the consideration by the Tribunal of any matter in which he himself, or his spouse, or any member of his family, or any partner or nominee of his, has, either directly or indirectly, any interest other than an interest common to the public at large or any section thereof.
- (2) Any person who contravenes the provisions of subsection (1) of this section shall be guilty of an offence and shall be liable to imprisonment for six months and a fine of one thousand dollars, and upon conviction for any such offence such person shall be disqualified from continuing to be a member of the Tribunal and his seat shall become vacant, and he shall not be eligible for future appointment as a member of the same or any other Tribunal:

Provided that no prosecution for such offence shall be instituted without the written consent of the Attorney-General.

- (3) For the purposes of this section, a person shall be deemed to be indirectly interested in any matter if—
  - (a) he or any nominee of his is a member of a company or other body having a direct pecuniary interest in such matter; or
  - (b) he is a partner, or is in the employment, of any person having any such interest:

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#### Provided that—

- (i) this subsection shall not apply to membership of or employment under a local authority or any body of persons who as a public body and not for their own profit provide public utility;
- (ii) a member of a company or other body shall not, by reason only of his membership thereof, be treated as being so interested if he has no beneficial interest in any shares or stock of that company or body.
- 15. (1) A Tribunal in respect of any business premises Powers of situated within its area of jurisdiction-

- (a) shall hear and determine any application made in pursuance of subsection (1) of section 4 of this Enactment and may make such order fixing the standard rent of the premises concerned as to the Tribunal may seem just and proper having regard to the provisions of section 17 of this Enactment;
- (b) shall hear and determine any application made under subsection (2) of section 4 of this Enactment and may make such order varying the standard rent of the premises concerned as to the Tribunal may seem just and proper having regard to the provisions of section 17 of this Enactment, or may refuse to make such an order:

Provided that the Tribunal shall refuse to make such an order having the effect of varying a prior rent order unless such rent order may properly be varied under the provisions of section 18 of this Enactment:

- (c) shall hear and determine any application made in pursuance of subsection (1) of section 7 of this Enactment and thereupon fix the amount of increase which may be made under that subsection;
- (d) shall hear and determine any application made under section 10 of this Enactment and, subject to the provisions of subsection (3) of that section, shall thereupon make such apportionment of rent as to the Tribunal may seem just and proper.
- (2) For the purpose of hearing and determining any matter coming before it under the provisions of this Enactment, a Tribunal may-
  - (a) at the request of any party to the proceedings, by notice in writing require any person, subject to the payment or tender by such party of the reasonable

expenses of his attendance, to attend as a witness before the Tribunal and give evidence, or produce any relevant document in his possession or under his control, and if any person without reasonable excuse fails to comply with any of the requirements of such notice or refuses to give such evidence when required to do so he shall be guilty of an offence and shall be liable to a fine of five hundred dollars:

Provided that any person required to attend, give evidence before, or produce any document to, a Tribunal shall be entitled to make such objection to producing such document or giving such evidence as he might make in that regard before a court;

- (b) take evidence on oath and make such other investigation as it may deem fit in assisting it to come to a decision in such matter, and for such purposes only the Chairman of, or other person presiding over, a Tribunal shall have power to administer oaths and affirmations.
- (3) For the purposes of any proceedings under this Enactment, a Tribunal shall have jurisdiction to enquire into, and where necessary, to determine-
  - (a) whether the relationship of landlord and tenant exists:
  - (b) whether the premises concerned are business premises;
  - (c) the nature, terms and conditions of every tenancy or proposed tenancy (whether the tenancy agreement is wholly or partly under seal or wholly or partly in writing or wholly or partly verbal);
  - (d) the extent of the premises let or intended to be let; and the facilities and amenities granted to or enjoyed by the tenant or intended to be so granted or enjoyed.

Parties to

- 16. (1) Where any application to a Tribunal under this proceedings. Enactment-
  - (a) is made by the landlord, it shall be duly served on the tenant as respondent;
  - (b) is made by the tenant, it shall be duly served on the landlord as respondent;
  - (c) is made by any other interested party it shall be duly served on both landlord and tenant as respondents.

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- (2) In any application to a Tribunal other than under subsection (1) of section 10 of this Enactment, all subtenants of the tenant shall be deemed to be interested parties in the proceedings and shall be given an opportunity of being heard and of producing evidence, and may, if the Tribunal so directs, be joined as parties in the proceedings.
- 17. (1) Where an application is made to a Tribunal Deteriminaunder subsection (1) of section 4 of this Enactment, the standard Tribunal shall fix such standard rent for the premises con-rent by cerned as, in the opinion of the Tribunal, might reasonably have been expected in respect of a similar letting of similar business premises in the same locality on the relevant date (regard being had where practicable to the rents actually obtained from any such similar lettings) with an addition, in the case of business premises erected after such date, of such amount as the Tribunal may think reasonable on account of increased amenities of the locality or increased cost of building.

Tribunal.

- (2) Where an application is made to a Tribunal under subsection (2) of section 4 of this Enactment, and the standard rent of the premises concerned is in the opinion of the Tribunal substantially higher or lower than it would be if ascertained on the principles of subsection (1) of this section, the Tribunal may vary the standard rent in accordance with those principles.
- (3) Notwithstanding any other provision of this Enactment, where a landlord has since the relevant date incurred, or hereafter incurs, expenditure in the improvement or structural alteration of premises (not including expenditure on decoration or ordinary repairs or expenditure mentioned in subsection (1) of section 7 of this Enactment) a Tribunal shall, in fixing the standard rent of such premises, take such expenditure into consideration so as to allow the landlord a reasonable return in respect thereof.
- 18. An order of a Tribunal may be reviewed, varied or Review of set aside by the Tribunal in the following cases—

orders.

- (a) where the Tribunal is satisfied that, since the date of the order, there has been a material change in either the nature or the terms and conditions of the tenancy or in the circumstances affecting the making of the order, and that no such change is due to the tenant's default:
- (b) where the order was made in consequence of any fraud, misrepresentation or mistake;

- (c) where fresh evidence of a material nature which could not by the exercise of due diligence have been produced when the order was made, is available; or
- (d) where the order was made in the absence of any proper party whose absence was not due to any default or neglect on his part.

Case stated.

- 19. (1) A Tribunal may, at any stage of any proceedings before it, reserve for the consideration of the High Court any question of law arising in such proceedings in the form of a special case which shall—
  - (a) be drawn up by the Chairman and shall set out shortly the facts on which the law is to be applied and the question or questions of law to be determined;
  - (b) be sent by the Chairman to the High Court;
  - (c) be set down for argument in such manner as the High Court may direct.
- (2) When a case submitted under this section has been heard and determined by the High Court the Court shall remit the matter to the Tribunal with the opinion of the Court thereon, and such opinion shall be binding on the Tribunal.

High Court may call for proceedings. 20. The High Court, either of its own motion or on the application within fourteen days of any party aggrieved by a decision of a Tribunal on the ground that it is wrong in law, may call for the proceedings and the grounds of the order and give such orders thereon, either by directing a fresh hearing or otherwise, as seems necessary to secure that substantial justice is done.

#### PART IV

#### RECOVERY OF POSSESSION

Restriction on right to possession.

- 21. (1) No possession order in respect of any business premises shall be made except in the cases set out in this Part of this Enactment.
- (2) A possession order in respect of business premises may be made in the following cases—
  - (a) where, at the date of the notice determining the tenancy given by the landlord, rent lawfully due was in arrear for twenty-one days or upwards after notice of demand in writing has been served on the tenant and there was no tender of such rent at or before such date, and the court considers it reasonable that such order be made;

- (b) where any obligation of the tenancy other than the payment of rent (whether under the tenancy agreement or under the provisions of this Enactment) which is not inconsistent with the provisions of this Enactment, has been broken or not performed by the tenant, and the court considers it reasonable that such order be made;
- (c) where the landlord, as a step towards increasing the rent in pursuance of section 7 of this Enactment has given the tenant a notice to quit, and the tenant holds over possession at the expiration of such notice without paying or agreeing to pay the increased rent:
- (d) where the tenant, or any other person occupying the premises under him, has been guilty of conduct constituting a nuisance or persistent annoyance to persons in the same building, or of using or permitting the use of the premises for illegal or immoral purposes;
- (e) where the condition of the premises has, in the opinion of the court, deteriorated owing to the wrongful neglect or default of the tenant, or where the tenant has wrongfully caused or suffered to be caused substantial damage to the premises;
- (f) where the tenancy has been determined by notice to quit given by the tenant;
- (g) where the tenant, or any other person occupying the premises under him, has knowingly committed a breach of any written law regulating any business carried on upon the premises, or of any provision of the Local Government Ordinance or any by-law 11/61. made thereunder affecting the premises, which exposes the landlord to any penalty, fine or forfeiture;

(h) where the landlord reasonably requires the premises for occupation by himself or any member of his family or any person for whom he holds the premises in trust, and the tenancy has been determined by not less than one year's notice to quit and there has been no change by purchase in the ownership of the premises within one year next preceding the date of such notice:

Provided that no order shall be made under this paragraph if the court is satisfied that having regard to all the circumstances of the case, including the availability of other suitable accommodation for the

- landlord or the tenant, greater hardship would be caused by granting such order than by refusing to grant it;
- (i) in any other case where the court considers it reasonable that such an order should be made and is satisfied that suitable alternative accommodation at a comparable rent is available for the tenant or will be available for him when the order takes effect.
- (3) For the purposes of paragraph (a) of subsection (2) of this section—
  - (a) a notice of demand shall give the name and address of the person, whether he is the landlord or not, to whom the rent lawfully due may be tendered by the tenant and shall be deemed to have been served on the tenant if it has been addressed to the tenant at the premises concerned and sent by prepaid registered post; and
  - (b) rent shall be deemed to have been tendered if it has been sent by prepaid registered post to the person named in the notice of demand as the person to whom the rent lawfully due may be tendered at the address given in such notice.
- (4) A landlord shall, on the written request of the tenant made to the landlord or his agent, furnish to the tenant the business or residential address of the landlord, and any landlord who fails to comply with any such request shall be guilty of an offence and shall be liable to a fine of one hundred dollars.
- (5) Nothing in this section contained shall be construed so as to relieve a landlord from the necessity of determining a tenancy according to law.

Order on sub-letting without consent. 22. Notwithstanding any other law to the contrary, it shall be lawful for a court to make a possession order in respect of any business premises the rent whereof is payable monthly where the tenant of such premises has, after the date of commencement of this Enactment, assigned, transferred, sub-let or parted with the possession of such premises or any part thereof without the written consent of the land-lord.

Compensation and conditions. 23. (1) Where a landlord has obtained a possession order under the provisions of paragraph (h) of subsection (1) of section 21 of this Enactment, and it is subsequently made to appear to the court that the order was obtained by misrepresentation or concealment of material facts, the court may order the landlord to pay to the former tenant such sum

as appears sufficient as compensation for damage or loss sustained by the tenant as a result of the order.

- (2) In any application made under paragraph (e) or (g) of subsection (1) of section 21 of this Enactment, the court may, either in addition to or in lieu of any other order, make an order providing that the tenant do pay compensation for all or any loss or damage caused to the landlord, and may impose such other conditions as the court may think fit to prevent a recurrence of the neglect, default or breach complained of.
- (3) In any application to which this Part of this Enactment applies, the court may in its discretion, either in addition to or in lieu of any other order which the court may make, order that either party shall comply with any conditions, including the execution of a money bond by either party in favour of any person, which the court may think fit to impose for giving effect to the purposes of this Enactment.
- 24. (1) Where a possession order has been obtained Effect of against a tenant of business premises, such order shall not possession be enforceable against any sub-tenant of such tenant unless sub-tenants. the court is satisfied that such tenant was prohibited by the terms of his tenancy from sub-letting or that such subtenant has been guilty of any of the matters mentioned in paragraphs (e) and (g) of subsection (1) of section 21 of this Enactment.

- (2) Every possession order made against a tenant of business premises shall declare whether or not it shall be enforceable against any sub-tenant.
- (3) Any sub-tenant against whom a possession order is not enforceable under the provisions of this section shall, if he remains in possession after notice of such order has been served upon him, cease to be a sub-tenant of the tenant and shall become a statutory tenant of the landlord in respect of the premises comprised in his previous sub-tenancy.

### PART V

#### STATUTORY TENANTS

25. The following persons are statutory tenants under Statutory this Enactment-

tenants.

(a) any tenant of business premises who remains in possession thereof after the determination by any means of his tenancy and who cannot by reason of the provisions of this Enactment be deprived of such possession by his landlord; and

(b) any sub-tenant becoming a statutory tenant under and by virtue of any of the provisions of this Enactment.

Terms of statutory tenancy.

- **26.** A statutory tenant shall hold the premises of the landlord upon the following terms and conditions—
  - (a) he shall be deemed to hold as tenant from month to month, and subject thereto, shall observe and be entitled to the benefit of all the terms and conditions of his original tenancy or sub-tenancy, as the case may be, so far as the same are consistent with the provisions of this Enactment and with a holding from month to month:

Provided that in the case of a sub-tenant becoming a statutory tenant he shall in addition hold the premises subject to any subsisting restrictive covenants contained in the terms and conditions of the tenancy between the landlord and the former principal tenant;

- (b) his tenancy shall be subject to be determined by such notice as would have been required by law to determine a monthly tenancy of the premises containing no express provision for determination; and
- (c) he shall be subject to all the rights and powers conferred upon a landlord under and by virtue of the Distress for Rent Ordinance.

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### PART VI

#### MISCELLANEOUS

Service of notices.

27. Any notice, application or other document issued or made under the provisions of this Enactment may be served upon the person affected thereby either personally, or by leaving the same with any occupier of the premises to which the same relates, or by leaving the same with some adult inmate at the usual or last known place of business or residence of the person to be served.

Acts done to induce tenant to quit. ▶ 28. Any person who shall do any act whatsoever, otherwise than in accordance with a tenancy agreement or with any law relating to the relationship of landlord and tenant or this Enactment, with intent to induce the tenant of any business premises to give up possession thereof shall be guilty of an offence and shall be liable to a fine of five hundred dollars.

Regulations. 29. The Minister may make regulations prescribing, the manner in which applications may be made to Tribunals, the forms to be used and the fees payable in respect of such applications.

#### RENT CONTROL (BUSINESS PREMISES) 19

30. (1) Immediately after this Enactment ceases to be in Effect of force, any tenant of business premises who was in occupa-termination tion thereof immediately before such cessation shall be ment. deemed to be holding at the rent payable immediately before such cessation unless the landlord shall have given such tenant such notice to quit, terminating with the termination of this Enactment, as would have been, as regards length of notice, a due notice to quit under the terms of the tenancy without regard to the provisions of this Enactment other than section 26 thereof.

(2) The expiration of this Enactment shall not render recoverable by a landlord any rent or other sum which during the continuance thereof was irrecoverable, or affect the right of any person to recover any sum which during such continuance was recoverable by him.