

**Appendix C**

**Guideline on termination of tenancy agreement due to breach of tenancy clauses and conditions**

- (1) In accordance with our “Warning Letters” policy, the Department will terminate the tenancy agreement of any tenant who has accumulated three “Warning Letters” resulting from breach of any tenancy clauses / conditions within a period of six months.
- (2) A stall tenant who has been found breaching any of the tenancy clauses / conditions will be issued a verbal warning by which he / she is required to rectify the irregularity / irregularities within a specific time limit. The verbal warning will be valid for six months from the date of issue of the verbal warning.
- (3) In the event that the tenant fails to rectify the irregularity / irregularities as mentioned in paragraph (2) above, the first “warning letter” will be issued to the tenant requiring him/her to rectify the irregularity / irregularities within a specific time limit. If the irregularity/irregularities is / are rectified within the specific time limit, the warning will be deemed as complied with, but the “warning letter” will be placed on record.
- (4) In the event that the tenant fails to rectify the irregularity/irregularities as mentioned in paragraph (3) above, a second “warning letter” will be issued, by which he / she is required to rectify the irregularity / irregularities within a new time limit. If the irregularity / irregularities is / are rectified within the new time limit, the second warning will be deemed as complied with, but the second “warning letter” issued will be placed on record.
- (5) If the tenant fails to rectify the irregularity / irregularities after the new time limit as stipulated in the second warning letter, a third “warning letter” will be issued, by which he / she is required to rectify the irregularity / irregularities that still exists / exist. If the irregularity / irregularities is / are rectified within the final time limit, the third warning will be deemed as complied with, but the third “warning

letter” will be placed on record.

- (6) If the irregularity / irregularities is / are not rectified after the final time limit as stipulated in the third warning letter, the Department will consider to terminate the tenancy agreement of the stall concerned.
- (7) A tenant who has received a recorded first warning letter mentioned in paragraph (3) must note that a breach of any tenancy clauses / conditions within six months from the date of the first warning letter will result in the direct issuance of a second warning letter; besides, he / she will be required to rectify the irregularity within a time limit. If the irregularity is not rectified within the time limit, the Department will issue a third warning letter against him / her.
- (8) A tenant who has received a recorded second warning letter mentioned in paragraph (4) must note that a breach of any tenancy clauses / conditions within six months from the date of the second warning letter will result in the direct issuance of a third warning letter; besides, he / she will be required to rectify the irregularity within a time limit. If the irregularity is not rectified within the time limit, the Department will terminate the tenancy agreement of the stall concerned in accordance with our policy.
- (9) A tenant who has received a recorded third warning letter mentioned in paragraph (5) must note that a breach of any tenancy clauses/conditions within six months from the date of the third warning letter will result in termination of the tenancy agreement of the stall concerned in accordance with our policy.
- (10) To protect public health, the Department will continue the policy to terminate the tenancy agreement immediately on detection of breaches of tenancy clauses / conditions of a serious nature.