

PRODUCT DISCLOSURE SHEET

Please read this Product Disclosure Sheet before you decide to take the Business Recapitalisation Facility-i (BRF-i) Facility. Be sure to also read the general terms and conditions.

Product Name: Business Recapitalisation Facility-i (BRF-i)
Date:

[The date issued to customer to be filled in by Sales Personnel]

1. What is this product about?

Business Recapitalisation Facility-i (BRF-i) is a financing facility offered up to RM5.0 million per SME and is established by BNM with fund allocation of RM 1.0 billion [shared with all participating Financial Institutions (FIs)].

BRF aims to support SMEs to recover and grow, while managing their level of indebtedness through innovative financing solutions. Its objective is to improve the capital structure of SMEs particularly those who wish to undertake capital expenditure, so that the SME should have a more manageable debt-to-equity (D/E).

Under BRF, SMEs may obtain blended financing which is a mix of debt financing from FIs and equity financing through 3rd party equity financiers (hereinafter referred to as "EF").

Note: -

Potential 3rd party EF (but not limited to): SME Bank, MIDF, pitchIN, MAVCAP and Ekuinas.

It is open to Malaysian SMEs in all sectors which do not have any impaired facilities as at 31 December 2019.

The SMEs must fulfil all of the following:

- i. meets the definition of SME issued by National Entrepreneur and SME Development Council (NESDC);
- ii. registered with the Companies Commission of Malaysia (SSM); or authorities/district offices in Sabah and Sarawak; or statutory bodies for professional service providers;
- iii. Malaysians residing in Malaysia hold a minimum of 51% shareholding in the SMEs
- iv. Shareholding by Public Listed Companies and Government Linked Companies (if any) in the SMEs shall not exceed 20%;
(Note: The 20% shareholding limit by PLC and GLC is not applicable if such shareholders take the role as the 3rd party equity financier)

2. What is the Shariah contract applicable?

The Shariah contract applied for Commodity Murabahah Term Financing-i (CMTF-i) is Murabahah (cost plus profit) via Tawarruq arrangement (Commodity Murabahah). It is a method of sale with a mark-up price where Customer pays a price over an agreed period of time. The underlying asset for the sale transaction between the Customer and the Bank will be a specific tradable Shariah compliant commodity.

- a) In accordance to financing under Commodity Murabahah, the Bank acquires/purchases a specific Shariah compliant commodity from a third party (Commodity Trader 1) upon request made by the Customer.
- b) The Bank then sells the said commodity to the Customer at the Bank's Sale Price which comprised of the facility amount plus profit margin to be paid on deferred payment basis within the agreed tenure.
- c) The Customer then appoints the Bank as its agent to perform the commodity sale transaction to a third party for cash.
- d) The Bank, acting as an agent to the Customer then sells the commodity to a third party (Commodity Trader 2) at a price equivalent to the facility amount or limit.
- e) Proceeds of sale of the commodity will be disbursed to the Customer, vendors or stakeholders subject to the term and conditions of the facility.

For Commodity Murabahah trading purposes, the Bank shall at all times be your non-exclusive agent to undertake the required Commodity Murabahah transactions related to the facility.

The Shariah contract applied for Letter of Credit-i (LC-i).

Shariah Contract	Definition
Wakalah (Agency)	It is a contract where a party, as principal (muwakkil) authorizes another party as his agent (wakil) to perform a particular task on matters that may be delegated, with or without imposition of a fee.
Murabahah Purchase Orderer (MPO)	"MPO" refers to an arrangement whereby the purchase orderer (purchaser) promises (wa'd) to purchase an identified and specified asset from a seller on Murabahah terms upon the latter's acquisition of the asset.

3. What do I get from this product?

Total Financing Amount	<p>Maximum: RM5.0 million, per SME</p> <p>Note:</p> <ul style="list-style-type: none"> For SMEs with turnover more than RM25 million The maximum aggregate financing amount of RM5.0 million per SME under the BNM's Fund for SMEs DOES NOT apply to this Facility For SJPP guarantee, the overall availability is subject to the aggregate group limit of the customer not exceeding RM 50.0 million financing limit for all other SJPP schemes, including this facility. Approval on the amount of financing is at the discretion of the Bank. 						
Purpose of Financing	To fund Working Capital and Capital Expenditure (CAPEX) (including purchase of non-residential building for business use only). Land financing is excluded.						
Facility Type	<ul style="list-style-type: none"> CMTF-i Letter of Credit-i 						
Financing Tenure	<ul style="list-style-type: none"> Up to 10 years 						
Pricing / Profit Rate	<table border="1"> <thead> <tr> <th>Facility</th> <th>Indicative Pricing / Interest Rate</th> </tr> </thead> <tbody> <tr> <td>CMTF-i</td> <td>Effective profit rate of 4.00% p.a. inclusive of guarantee fee</td> </tr> <tr> <td>Letter of Credit-i</td> <td>0.10% per month (min RM75-00)</td> </tr> </tbody> </table> <p><u>Equity Financing</u></p> <ul style="list-style-type: none"> No cap on the expected return on investment by FIs or 3rd party EF. The expected return to be determined and agreed by both SMEs and 3rd party EF. The rate for equity financing to refer to the 3rd party EF. 	Facility	Indicative Pricing / Interest Rate	CMTF-i	Effective profit rate of 4.00% p.a. inclusive of guarantee fee	Letter of Credit-i	0.10% per month (min RM75-00)
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Bank's Sale Price (BSP)	<p>Current Base Financing Rate (BFR) is at 6.40% per annum with effect from 7th November 2022</p> <table border="1"> <thead> <tr> <th>IF Effective Profit Rate</th> <th>Then BSP</th> </tr> </thead> <tbody> <tr> <td>BFR + (< 3.00%)</td> <td>BFR + 4% or 10%, whichever is higher</td> </tr> <tr> <td>BFR + (≥ 3.00%)</td> <td>BFR + 4% + Spread or 15%, whichever is higher</td> </tr> </tbody> </table>	IF Effective Profit Rate	Then BSP	BFR + (< 3.00%)	BFR + 4% or 10%, whichever is higher	BFR + (≥ 3.00%)	BFR + 4% + Spread or 15%, whichever is higher
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Guarantee Coverage by SJPP	<ul style="list-style-type: none"> 80% of the financing amount 						
Availability / Application Period	<ul style="list-style-type: none"> Available until full utilisation of the scheme limit of up to RM 1.0 billion only. 						
Other Additional Benefits	<ol style="list-style-type: none"> Cash Management Services with Payroll & Payment Module Personal Financing (ASB/ASB Financing-i, Unit Trusts etc) Etiqa products/Takaful products (life and other insurances/Takafuls) i.e. Personal Reducing Term Assurance (PRTA)/ Personal Reducing Term Takaful (PRTT) Commercial Cards/Personal Credit Cards/ Ikhwan Credit Cards/Islamic Corporate Card Key Man Insurance/Takaful Premium Cash Refund(PCR) 						

4. Can I opt for physical delivery of the commodity, instead? What about the cost involved?

You may opt for physical delivery of the commodity subject to the Bank's terms and conditions. All costs associated with your instruction for physical delivery of the commodity, shall be borne by you.

5. What are my obligations?

Commodity Murabahah Term Financing-i

- A. Servicing the monthly profit amount pending full financing disbursement

B. Servicing the monthly installment amount upon full disbursement

Payment for the facility is in the form of monthly installment payment (calculated based on the prevailing Effective Profit Rate (EPR), facility tenure and cost of financing outstanding balance). The installment amount is to commence upon full facility disbursement.

• Servicing monthly profit *	RM _____ (payment of profit amount based on amount disbursed)
• Monthly Installment Amount*	RM _____ (payment of principal and profit amount)
• Total Payment Amount	RM _____ (inclusive of principal and profit amount)

Note: The monthly installment amount and the total payment amount may vary accordingly with the changes in the BNM Funding Rate and/or BFR. However, the total payment amount shall not exceed the Bank's Sale Price. We will notify the new installment amount within 21 calendar days prior to the effective date.

6. What are the fees and charges I have to pay?

Stamp Duties	As per the Stamp Act 1949 (revised 1989)
Trading Fees	In respect of the Commodity Murabahah transaction, the customer shall pay to the Bank a trading fee of RM 15 per every RM 1.0 million of the Facility amount or such other amount as may be determined by the Bank from time to time.
SJPP Guarantee Fee	0.50% p.a. guarantee fee will be charged annually and incorporated in the calculation of the effective profit rate.
SJPP Cancellation Fees	Cancellation fee of RM100-00 [subject to any tax (where applicable)] shall be chargeable to you for reasons as below:- a) For each of your cancellation request. b) For failure to disburse the facility(ies) for any reason attributable to you after a period of six (6) months from date of receipt of SJPP's approval and as consequent cancellation of the Guarantee approval.
Tax	Subject to all taxes and levies now or thereafter imposed by law.
Other Fees and Charges	All other costs and expenses i.e. legal fees and other charges incurred in the preparation of all documentation and perfection of the Bank's security documents.

Note: Subject to Shariah compliance, twenty-one (21) calendar days written notice will be provided to you for any variation made to the fees and charges that you have to pay and such variation will take effect from the date specified in the said notice.

7. What if I fail to fulfill my obligations?

Late Payment Charges (LPC)	<p>A. The Bank has the right to be compensated on late and defaulted payment based on the following mechanism:</p> <p>I. <u>Overdue (excess)</u> For failure to pay any instalment or any payment due from the date of the first disbursement of the facility until its expiry or maturity date, an LPC sum equivalent to one per cent (1%) per annum of the overdue instalments/payment or by any other method approved by Bank Negara Malaysia (BNM).</p> <p>II. <u>Upon Maturity/Judgment (whichever is earlier)</u> LPC at prevailing daily Overnight Islamic Interbank Money Market (IIMM) rate on the outstanding balance due and payable or any other method approved by Bank Negara Malaysia from time to time.</p> <p>B. However, the amount of LPC charged to the customer <u>will not be</u> further compounded.</p>
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	Note: Legal action will be initiated if you fail to respond to the reminder notices.
Right to Set-Off	The Bank has the right to set-off of this facility with seven (7) calendar days prior notice on any credit balance in your account(s) maintained with the Bank against any outstanding balance of this facility.
Default Rate	<p>In the event of you default for three (3) months in any due payment, the Bank will be entitled to increase the profit margin of the Effective Profit Rate to Base Financing Rate (BFR) + 2.5% p.a. or 1.0% p.a. above the Effective Profit Rate (if the Effective Profit Rate is BFR + 2.5% p.a. and above) (“the Default Rate”) to be charged on the amount outstanding (with prior written notification), or such other profit rates as the Bank may at its discretion prescribe from time to time.</p> <p>For term financing where the payment for the Facility is by monthly, quarterly, half-yearly, yearly or bullet payment, the Bank will be entitled to increase the profit margin of the Effective Profit Rate to Default Rate to be charged on the amount outstanding (with prior written notification), or such other profit rates as the Bank may at its discretion prescribe from time to time, if the payment is due and unpaid for three (3) months from the first day of default.</p> <p>Provided always that such increase will not cause the total payment amount to exceed the Bank’s Sale Price.</p> <p>The Default Rate will be revised to the prevailing Effective Profit Rate upon full settlement of all your payment in arrears under the Facility.</p>

8. WHAT IF I FULLY SETTLE THE FACILITY BEFORE ITS MATURITY?

Lock In Period	Nil.					
Early Settlement Fees	Nil.					
Rebate (<i>Ibra'</i>)	<p>The Bank shall grant rebate (<i>ibra'</i>) to the Customer on, but not limited to, the following events:</p> <ul style="list-style-type: none"> (a) The Customer makes early settlement or early redemption, including those arising from prepayments; (b) In the event of early commencement of monthly instalment prior to the expiry of grace profit period (for progressive disbursement); (c) In the event the Effective Profit Rate is lower than the Ceiling Profit Rate; and (d) In the event the actual disbursed amount is less than the Facility Amount. <p>For avoidance of doubt, it is hereby acknowledged and agreed that the rebates referred to herein shall not be construed in any manner whatsoever as cash rebate payable to the Customer, but shall be reflected as a reduction in the profit element of the Bank’s Sale Price of the facility. The rebate shall only be deemed granted upon receipt of the settlement/redemption sum as determined by the Bank based on the following formula:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Outstanding Bank’s Sale Price</td> <td style="text-align: center;">Less</td> <td style="text-align: center;">Outstanding Facility Amount</td> <td style="text-align: center;">Less</td> <td style="text-align: center;">Other Amount due to the Bank</td> </tr> </table> <p>You may refer to our website at www.maybank2u.com.my for a sample illustration on the application of <i>Ibra'</i> and settlement amount formula.</p> <p>Go to Home > Announcements > Bank Negara Malaysia’s Guideline on <i>Ibra'</i> (Rebate) for Sale-Based Financing</p>	Outstanding Bank’s Sale Price	Less	Outstanding Facility Amount	Less	Other Amount due to the Bank
Outstanding Bank’s Sale Price	Less	Outstanding Facility Amount	Less	Other Amount due to the Bank		

9. Do I need any Takaful coverage?

Yes, it is recommended for you to take-up the Personal Reducing Term Takaful (PRTT) for your/key person/managing director/managing partner/partners/proprietor coverage in the event of death or total permanent disability.

10. What are the major risks?

Please be advised that the Effective Profit Rate will change according to the changes in the BFR/ BNM Funding Rate. An increase in the Effective Profit Rate may result in higher monthly payments amount.

If you have problems meeting your payment obligations, please contact us early to discuss payment alternatives.

11. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner. To update your contact details, you may inform us in writing or reach us via one of the channels, e.g.: m2u or home branch.

12. What can I get assistance and redress?

- I) If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives. You may contact us at :

Name of Maybank / Maybank Islamic Branch : _____
Address : _____
Tel/Fax : _____ **Email** : _____

- II) Alternatively, you may seek the services of Agensi Kaunseling Dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. You may contact AKPK at:

Tingkat 8, Maju Junction Mall
1001, Jalan Sultan Ismail
50250 Kuala Lumpur
Tel : 1-800-88-2575 Email : enquiry@akpk.org.my

- III) If you wish to complaint on the products or services provided by us, you may contact us at:

Name of Maybank / Maybank Islamic Branch : _____
Address : _____
Tel/Fax : _____ **Email** : _____

- IV) If your query or complaint is not satisfactory resolved by us, you may contact Bank Negara Malaysia link or telelink at :

Block D, Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
Tel : 1-300-88-5465
Fax : 03-21741515 Email : bnmtelelink@bnm.gov.my

13. Where can I get further information?

If you have further enquiries, please contact us at :

Maybank/Maybank Islamic Branch:
Address :
Tel :
E-Mail:

14. Is there any other Business Banking schemes available?

Yes. You may refer to our website at www.maybank2u.com.my for other schemes.

DISCLAIMER

The information, terms and conditions in this product disclosure sheet are indicative and are not binding on the Bank. The final

terms and conditions are stipulated in the Letter Of Offer after credit assessment and final approval by the Bank.

IMPORTANT NOTE:

THE BANK HAS THE RIGHT TO PROCEED WITH LEGAL ACTION AGAINST YOU IF YOU FAIL TO PAY YOUR PAYMENTS.

The information provided in this disclosure sheet is valid from April 2023 and will be valid until the next periodical review.

Customer's Acknowledgement

I acknowledge that adequate explanation has been provided by the Bank's officer to me in respect of the salient terms of this document.

[*For Partnership/Sole-Proprietorship]

[*For Corporation]

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Business Stamp
Name of the Authorised Signatories:
I/C No.:
Date:

.....
Authorised Signatories and Company Stamp
for <*Company/Customer Name>
Name:
I/C No.:
Date: