

**CIMB PAYMENT ASSISTANCE PROGRAMME (PAP) – FOR SMEs**

21 July 2021

No.	Question	Answer
1	Will CIMB be offering any automatic moratorium (payment deferment) for impacted SME and Microenterprises?	<p>In line with the recent announcement by the Government of Malaysia on 28 June 2021, CIMB has expanded our payment assistance programme to provide continued help to our customers.</p> <p>Please get in touch with us to <b>select the preferred payment assistance option</b>, as this is not an automatic moratorium (payment deferment).</p>
2	Who can participate for the CIMB Payment Assistance Programme (PAP) – for SMEs?	<p>This programme is designed to assist all SME customers, including Microenterprises, whose financial conditions has been adversely impacted by the pandemic.</p> <p>Businesses classified as SME, including Microenterprise, as defined by SME Corporation Malaysia.</p> <ul style="list-style-type: none"> <li>- For the manufacturing sector, SMEs are defined as firms with a sales turnover not exceeding RM50 million or with number of full time employees not exceeding 200.</li> <li>- For the services and other sectors, SMEs are defined as firms with a sales turnover not exceeding RM20 million or with the number of full-time employees not exceeding 75.</li> </ul> <p>Please note:</p> <ul style="list-style-type: none"> <li>- For non-SME and corporate customers, please contact your Relationship Manager to discuss payment assistance options.</li> </ul>
3	Which loans/financing will be included for this programme?	<p>Any of the following credit facilities, (denominated in Ringgit Malaysia or foreign currency), if they were approved on or before 30 June 2021 and remain performing (not in arrears exceeding 90 days as at date of application by customer*):</p> <ul style="list-style-type: none"> <li>- Term Loan/Financing-i</li> <li>- Term Loan/Financing-i that have been converted from trade bills/Islamic trade bills; Bank Guarantee/-i; or Overdraft/Cash Line-i facilities</li> <li>- Trade Financing</li> <li>- Overdraft/Cash Line-i</li> <li>- Relief Facilities</li> <li>- Hire Purchase extended to Non Individuals (SME)</li> </ul>

		<ul style="list-style-type: none"> <li>- Blanket Hire Purchase</li> <li>- Block Discount Hire Purchase</li> <li>- Industrial Hire Purchase</li> <li>- Credit Card</li> </ul> <p>Please note:</p> <ul style="list-style-type: none"> <li>- Trade financing facilities will be eligible for the payment deferment, depending on whether the features of these facilities allow for an extension in tenure.</li> <li>- For Overdraft/Cash Line-i facilities, the assistance applies to the balances in excess of the approved limit as the excess amount is contractually due for repayment/payment.</li> </ul> <p>*For loan/financing that is due and unpaid by more than 90 days at the date of selection, we will either offer a customised solution that is more suitable to your financial circumstances or refer to Agensi Kaunseling &amp; Pengurusan Kredit (AKPK) for payment assistance.</p>
4	What are the available options under this programme?	<p>The options available for selection under this programme are:</p> <ul style="list-style-type: none"> <li>- <b>Option 1:</b> 6-month moratorium (payment deferment)</li> <li>- <b>Option 2:</b> 50% reduction in instalments for 6 months</li> </ul> <p>We will <b>not compound the interest/profit</b> and <b>no penalty interest/late payment charges</b> is charged during this period.</p> <p>We recognise that the challenges may differ for each customer and we are committed to assist you based on your needs and circumstances.</p>
5	What is the impact upon taking up the CIMB Payment Assistance Programme (PAP) – for SMEs?	<ul style="list-style-type: none"> <li>- Interest/profit will continue to be charged during the payment deferment period.</li> <li>- Interest/profit will not be compounded and no penalty interest/late payment charges is charged during this period.</li> <li>- You have the option to engage the Bank to revise the monthly repayments/payment amount and/or schedule once your financials improve to reduce overall financing/borrowing costs.</li> </ul>

		<ul style="list-style-type: none"> <li>- Upon the expiry of the payment deferment period, the original monthly instalment shall resume until full payment of the business facility</li> <li>- We will notify you of the financial implications of your selection, in writing, in due course. In the meantime, you may refer to the illustration in the Appendix.</li> <li>- If you would like to revise your final payment at maturity by extending your loan/financing tenure or instalment amount, please contact us to discuss your payment options.</li> </ul>
<b>6</b>	Will my CCRIS (“Central Credit Reference Information System”) status be impacted?	Please be assured that any payment assistance taken will not impact your CCRIS (“Central Credit Reference Information System”) status.
<b>7</b>	Am I eligible for the moratorium (payment deferment) if I am currently already participating in an existing payment assistance programme?	Yes, for customers that are currently signed up for Targeted Payment Assistance, we will accommodate your requests and modify the assistance accordingly.
<b>8</b>	How can I make a selection for my payment assistance?	<p>You can make your selection through the following channels:</p> <ol style="list-style-type: none"> <li>1. Click on the link: <a href="http://www.cimb.com.my/frap">www.cimb.com.my/frap</a> and select Payment Assistance Programme (PAP) – for SME. (We will send you a confirmation within 2 calendar days (Excluding Saturday, Sunday and Public Holidays) upon receiving your complete request.)</li> <li>2. Call our Business Call Centre at 1300 888 828 (local) or +603 2297 3000 (Overseas); Monday to Friday from 8:00am to 7:00pm or Saturday from 8:00am to 5:00pm (excluding public holidays).</li> <li>3. Visit any of our branches.</li> </ol> <p>Please note, for Hire Purchase Non Individual (SME), Block Discounting and Blanket Hire Purchase you will need to contact our Auto Finance Centres. You may be required to execute a variation agreement after your payment assistance is confirmed.</p>

		<p>For Industrial Hire Purchase, please contact our Commercial Banking Centres or your Relationship Manager to discuss payment assistance options.</p> <p>To locate our Commercial Banking Centre or Auto Finance Centre:  <a href="https://www.cimb.com.my/en/personal/help-support/branch-locator.html">https://www.cimb.com.my/en/personal/help-support/branch-locator.html</a></p>
9	Do I need to submit documents to participate for this programme?	No supporting documents are required.
10	I had selected moratorium (payment deferment) for 3 months before 7 July 2021, can I change my selection to Option 1: 6-month moratorium (payment deferment)?	<p>Yes, you may change your selection to Option 1: 6-month moratorium (payment deferment).</p> <p>We will reach out to you via e-mail to confirm your preferred option.</p>
11	When will the payment deferment come into effect?	The payment deferment will be effective at the next instalment from the date of selection.
12	I have enrolled into Payment Assistance Programme, what should I do if the payment for my loan/financing is through an Auto Debit via a CIMB Account?	<p><b><u>For Auto Debit via CIMB Account:</u></b>  If the auto payment deduction from your account was signed up with CIMB, it will be automatically updated upon acceptance of this programme.</p> <p><b><u>For Scheduled Payment via CIMB Clicks or BizChannel@CIMB:</u></b>  Please log-in to CIMB Clicks or BizChannel@CIMB to update your scheduled payment accordingly.</p> <p><b><u>For Standing Instructions via another bank or financial institution:</u></b>  Please contact the respective bank to update your standing instructions.</p>
13	What are my options if I wish to explore alternative options for my loan/financing?	<p>You may seek assistance from the following agencies:</p> <ul style="list-style-type: none"> <li>- Agensi Kaunseling &amp; Pengurusan Kredit (AKPK) <a href="https://www.akpk.org.my/">https://www.akpk.org.my/</a></li> <li>- MyKNP (Khidmat Nasihat Pembiayaan) <a href="http://www.myknp.com.my">www.myknp.com.my</a></li> <li>- CGC (Credit Guarantee Corporation Malaysia Berhad) <a href="http://www.cgc.com.my">www.cgc.com.my</a></li> </ul>

14	<p>What happens if I have an Insurance / Takaful coverage for my Property/Hire Purchase/ SME Quick Biz/-i?</p>	<p>The Insurance / Takaful coverage tenure for your Property/Hire Purchase/ SME Quick Biz/-i <b>remains unchanged</b> irrespective of your participation in the various assistance programmes.</p> <p>There <b>will be no</b> automatic extension to your Insurance / Takaful coverage tenure in accordance to any extension to your loan/financing tenure because of the assistance programme (if applicable).</p> <p>Should there be an extension to your loan/financing tenure following the payment assistance, you may check if your coverage is sufficient by viewing your insurance/Takaful certificate.</p> <p>You may extend your coverage tenure to align with the extended tenure for loan/financing tenure by:</p> <p><b>Option 1:</b> <i>Visiting any of our CIMB Branches</i></p> <p><b>Option 2:</b> <i>Calling our Business Contact Centre</i>  1300 888 828 (Local)  +603 2297 3000 (Overseas)</p> <p><i>Monday to Friday from 8.00am to 7.00pm</i>  <i>Saturday from 8.00am to 5.00pm (excluding public holidays)</i></p> <p>Please reach out to your respective Insurance/Takaful coverage provider if you did not obtain it from CIMB.</p>
15	<p>If I were to extend my Insurance / Takaful coverage tenure, will it increase my monthly loan / financing instalment payment?</p>	<p>There will be no impact on your monthly loan / financing instalment payment as the premium / contribution is paid separately by yourself to the Insurance Company / Takaful Operator directly.</p>

Specific questions on how it works for Trade Loan/ Financing-i												
16	What are the payment assistance options available for Trade Loan/Financing?	<p>The options available for selection under this programme are:</p> <p><b>Option 1: 6-month moratorium (payment deferment)</b></p> <p>Trade Loan/financing which fall due during the payment deferment period, will be deferred for an additional 6 months, a “new” under Multi Currency Trade Loan (MCTL)/Multi Currency Trade Financing-i (MCTF-i).</p> <p>For example: A Bankers Acceptance (BA)/Accepted Bills-i (AB-i) with maturity date on 1 August 2021 will be extended as a Multi Currency Trade Loan (MCTL)/Multi Currency Trade Financing-i (MCTF-i) with maturity on 1 February 2022</p> <p><b>Option 2: 50% reduction in repayment and deferment for 6 months</b></p> <p>Trade Loan/financing which fall due during the payment deferment period, you will be required to settle 50% of the outstanding amount due in the following manner:</p> <ol style="list-style-type: none"> <li>1. Settlement of 50% of outstanding amount due which includes total outstanding interest/profit plus portion of outstanding principal.</li> <li>2. The remaining outstanding principal will then be extended for additional 6 months, under a “new” Multi Currency Trade Loan/Multi Currency Trade Financing-i (MCTF-i).</li> </ol> <p>For illustration:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Principal Amount</td> <td>MYR 100,000</td> </tr> <tr> <td>Interest/Profit</td> <td>MYR 5,000</td> </tr> <tr> <td>Outstanding amount due on 1 July 2021</td> <td>MYR 105,000</td> </tr> <tr> <td>50% outstanding amount to be paid by customer</td> <td>50% x MYR105,000 = MYR 52,500</td> </tr> <tr> <td>Remaining principal amount to be deferred for 6 months</td> <td>MYR105,000 - MYR 52,500 = MYR52,500</td> </tr> </table>	Principal Amount	MYR 100,000	Interest/Profit	MYR 5,000	Outstanding amount due on 1 July 2021	MYR 105,000	50% outstanding amount to be paid by customer	50% x MYR105,000 = MYR 52,500	Remaining principal amount to be deferred for 6 months	MYR105,000 - MYR 52,500 = MYR52,500
Principal Amount	MYR 100,000											
Interest/Profit	MYR 5,000											
Outstanding amount due on 1 July 2021	MYR 105,000											
50% outstanding amount to be paid by customer	50% x MYR105,000 = MYR 52,500											
Remaining principal amount to be deferred for 6 months	MYR105,000 - MYR 52,500 = MYR52,500											

		Interest/Profit for 6-month extension	MYR300
		Amount due at the end of 6-month extension	MYR52,500 + MYR300 =MYR52,800
<b>17</b>	I had selected moratorium (payment deferment) for 3 months before 7 July 2021, can I change my selection to Option 1: 6-month moratorium (payment deferment) or Option 2: 50% reduction in repayment and deferment for 6 months?	<p>Yes, you may change your selection Option 1: 6-month or Option 2: 50% reduction in repayment and 6-month deferment.</p> <p>If you choose either option 1 or option 2, at the end of the existing 3 months moratorium, your Trade Loan/Financing will be extended by an additional 3 under a “new” Multi Currency Trade Loan (MCTL)/Multi Currency Trade Financing-i (MCTF-i).</p>	
<b>18</b>	My Multi-Currency Trade Loan (MCTL)/Multi-Currency Trade Financing-i (MCTF-i) does not allow sales financing. Can maturing Bankers Acceptance (BA)/Accepted Bills-i (AB-i) be extended under the MCTL/MCTF-i?	Yes, it will be extended under the MCTL/MCTF-i.	
<b>19</b>	Will the loan/financing principal amount be revised?	<p>Depending on option selected:</p> <p><b>Option 1: 6-month moratorium (payment deferment)</b> The Principal amount of the extended loan/financing remains unchanged.</p> <p><b>Option 2: 50% reduction in repayment and deferment for 6 months</b> The principal amount of the deferred loan/financing will be the remaining principal outstanding (see illustration in item 1)</p>	
<b>20</b>	Will the pricing (All-In-Rate) of the extended loan/financing be revised?	<p>The margin/spread will be maintained as per the original loan/financing.</p> <p>However, the pricing (All-In-Rate) may be revised due to the funding rate i.e. MYR Cost of Fund (COF) and commitment for a longer tenure i.e. 6 months.</p> <p>If the original loan/financing was priced against Base Lending Rate (BLR)/Base Funding Rate (BFR), the</p>	

		<p>prevailing BLR/ BFR at the time of extension shall apply on the MCTL/MCTF-i.</p> <p>Specifically, for BA/AB-i, the BA/AB-i COF will not apply. For the avoidance of doubt, MYR COF will apply.</p>
<b>21</b>	Will there be other transactional charges?	All transactional charges will be waived.
<b>22</b>	How will I be informed of the “new” loan/financing under Multi Currency Trade Loan (MCTL)/Multi Currency Trade Financing-i (MCTF-i)?	<p>A notice will be sent to you upon extension, indicating the revised transactional details.</p> <p>Please contact your Relationship Manager or our Trade Contact Centre at 1300-888-068 immediately if you do not receive any notice.</p>



**Appendix: Illustration of Financial Implications for Option 1: 6-month moratorium (payment deferment)**

Floating rate loan/financing example:

Original Loan/Financing Amount	: RM500,000
Interest/Profit Rate	: 4%
Facility Tenure	: 120 months
Remaining Tenure	: 108 months
Current Financing Outstanding Balance	: RM458,497
Compounding of Interest/Profit during 6 months moratorium	: NIL

Scenario 1 : Instalment maintained and tenure maintained with 1 bullet payment

Scenario 2 : Instalment maintained and tenure extended 6 months with 1 bullet payment

Scenario 3: Tenure extended and increase in monthly instalment to avoid bullet payment

Monthly instalment	Normal payment without 6 months moratorium	Scenario 1 (Default selection)	Scenario 2 (to engage Bank)	Scenario 3 (to engage Bank)
		with 6 months Moratorium (no tenure extension)	with 6 months Moratorium (+6 months tenure extension)	with 6 months Moratorium (+6 months tenure extension)
Monthly instalment (during 6 months moratorium)	RM5,062	RM 0	RM 0	RM 0
Instalment after moratorium	RM5,062	RM5,062	RM5,062	RM5,164
Final payment at maturity	RM5,062	RM 47,881	RM 13,055	RM5,164
Total Interest/Profit Payable	RM107,412	RM119,917	RM120,526	RM118,316
Total Tenure	120	120	126	126
Differences in interest/profit payable	-	RM12,505	RM13,114	RM10,904

**Note:**

1. Assuming no changes to the Base Lending Rate/Base Financing Rate for illustration purposes.
2. Monthly instalment refers to original instalment before taken any payment assistance
3. If you would like to revise your final payment at maturity, please contact us to discuss your payment options.

**Appendix: Illustration of Financial Implications for 2: 50% instalment for 6 months on SME Financing**

Floating rate loan/financing example:

Original Loan/Financing Amount	: RM500,000
Interest/Profit Rate	: 4%
Facility Tenure	: 120 months
Remaining Tenure	: 108 months
Current Financing Outstanding Balance	: RM458,497

Scenario 1: Instalment maintained and tenor maintained with 1 bullet payment

Scenario 2: Instalment maintained and tenor extended to avoid bullet payment

Monthly instalment	Normal payment without 6 months 50% instalment	Scenario 1 (Default selection)	Scenario 2 (to engage Bank)
		6 months 50% instalment (no tenure extension)	6 months 50% instalment (+5 months tenure extension)
Monthly instalment (during 6 months 50% instalment)	RM5,062	RM2,531	RM2,531
Instalment after 6 months 50% instalment	RM5,062	RM5,062	RM5,062
Final payment at maturity	RM5,062	RM24,487	RM4,479
Total Interest/Profit Payable	RM107,412	RM114,624	RM114,866
Total Tenure	120	120	125
Differences in interest/profit payable	-	RM7,212	RM7,454

**Note:**

1. Assuming no changes to the Base Lending Rate/Base Financing Rate for illustration purposes.
2. Monthly instalment refers to original instalment before taken any payment assistance
3. If you would like to revise your final payment at maturity, please contact us to discuss your payment options.