

Covid-19 Financial Assistance Relief Programmes - for SMEs

29 MAY 2020

No.	Question	Answer
1	What are the SME Loan/Financing Relief Programmes that CIMB is offering?	<p>CIMB is offering three (3) relief measures for your business, as follows:</p> <ol style="list-style-type: none"> i. automatic 6-month moratorium on all loans/financing ii. Bank Negara Malaysia Special Relief Facility / Special Relief Facility-i (BNM SRF / SRF-i) for SMEs iii. restructuring and rescheduling of loan/financing instalment payments
2	Can I apply for more than one of the three programmes?	<p>Yes, you may apply for more than one of the three programmes.</p> <p>Please refer to following programme sections in the FAQ for eligibility criteria and steps to apply.</p>
3	Are the programmes for SMEs also applicable for corporate clients tagged as SMEs and high- net worth individuals?	<p>This programme is applicable to corporate customers that satisfy the SME definition in accordance with the <i>Guideline for New SME Definition</i> issued by the SME Corporation Malaysia in October 2013.</p> <ol style="list-style-type: none"> i. For the manufacturing sector, SMEs are defined as firms with a sales turnover not exceeding RM50 million or with the number of full time employees not exceeding 200. ii. 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. <p>All SMEs must be entities registered with SSM or other equivalent bodies. It excludes:</p> <ol style="list-style-type: none"> i. entities that are public-listed on the main board and subsidiaries of: <ul style="list-style-type: none"> • public listed companies (local or foreign) on the main board • Multinational Corporations (MNC)/Large Firms • Government Linked Companies (GLC) • Syarikat Menteri Kewangan Diperbadankan (MKDs) • State Owned Enterprises <p>Corporate customers (non-SMEs) are encouraged to contact their Relationship Managers to request for moratorium</p>

		/additional financing/restructuring and rescheduling options for existing facilities.
Programme 1: 6-Month Moratorium Programme for SMEs		
Section 1: Generic questions on moratorium/deferment of loan/financing		
4	What is a moratorium of loan / financing repayment / payment?	<p>It is a temporary deferment or suspension of loan/financing repayments/payment obligations (principal and interest/profit) for a limited period of time.</p> <p>During this period, borrowers/customers with loan/financing that meet the conditions do not need to make any repayments/payments, and there will be no late payment charges or penalties during this period.</p>
5	Which loan/financing qualifies for the moratorium?	<p>CIMB will provide a 6-month automatic moratorium for our SME customers as long as the loans/financing are:</p> <ol style="list-style-type: none"> I. not more than 90 days past due as of 1st April 2020; II. in Ringgit Malaysia denomination
6	Will I be charged interest/ profit during the 6-month moratorium?	<p>Interest/ profit will be charged but you are not required to make any repayments/payments until the end of the moratorium period.</p> <p>The interest/profit on conventional loans and Islamic financing will not be compounded during the moratorium period.</p> <p>Loan/ financing repayments/payments will resume after the moratorium period.</p>
7	Can I ask for more than 6 months on the moratorium?	The moratorium period is only for 6 months as announced by BNM. You can contact your Relationship Manager or our Contact Centre should you require a longer deferment.
8	If I opt for the moratorium, will my CCRIS records be adversely affected?	Your CCRIS record position will remain the same as per your end March 2020 position during the deferment period. However, interest/profit will continue to accrue, and you are required to honour the deferred repayment/payments in future.
9	Do I need to apply?	There is no action required on your part if you wish to participate as the bank will automatically enroll all eligible SME customers.
10	Is the 6 month moratorium programme applicable for the following loans/financings:	<p>Yes, the 6-month moratorium programme is applicable to all loans/financing as long as it meets the eligibility criteria:</p> <ol style="list-style-type: none"> i. not more than 90 days past due as of 1st April 2020;

	<ul style="list-style-type: none"> • Trade Finance Loan/Financing • BizFlexi • Leasing & industrial hire-purchase • Bridging loan/financing • Plantation loan/financing • Vacant land loan/financing • Progressive repayments/payments (e.g., where borrowers/customers are only required to service interest/profit) 	ii. in Ringgit Malaysia denomination.
11	My loan/financing is in default, can I still qualify?	Loans/financing accounts that are already more than 90 days in arrears, will not qualify for the deferment. You may contact us for further discussion on options.
12	Can loans/financing under the Rescheduling and Restructuring (R&R) programme be eligible for the deferment package?	Loans/financing under the R&R programme are also eligible for the deferment, subject to meeting the criteria.
13	Will the moratorium apply to newly approved/disbursed loans/financing?	Yes, it applies to all loans/financing with outstanding balances as of 1 st April 2020.
14	Would loans/financing that become 90 days past due on 1 April 2020 itself qualify for the moratorium?	Yes, loans/financing that become 90 days past due on 1 st April 2020 itself will qualify for the moratorium.
15	I have multiple loans/financing with CIMB, and one of these loans/financing is in default, would the other loans/financing or facilities continue to qualify for the moratorium?	The moratorium is applied on a per facility basis, and if the loan/financing facility is not more than 90 days past due as of 1 st April 2020, the moratorium will apply.
16	How is the bank treating foreign currency denominated	Loans/financing denominated in foreign currencies are not eligible for the automatic moratorium.

	loans/financing for Malaysian customers?	However, you may apply to restructure and reschedule foreign currency denominated facilities by completing the form available online at www.cimbbank.com.my/srf19
17	Is the 6 month moratorium applicable to loans/financing by non-Malaysian borrowers/customers, provided it is denominated in Ringgit?	Yes, the 6 month automatic moratorium will apply to all loans/financing as long as they are: <ul style="list-style-type: none"> i. not more than 90 days past due as of 1st April 2020; ii. in Ringgit Malaysia denomination
18	What is the minimum documentation required (e.g. board resolution, signed letter of offers and facility agreement) to be eligible for the moratorium?	For SMEs, the moratorium of 6 months is applied automatically on 1 st April 2020, without the need for SMEs to apply or submit documentation to the bank.
19	Is there a minimum outstanding balance/ minimum remaining tenure to qualify for the moratorium?	No. The moratorium is applicable to all eligible loans/financing regardless of outstanding balance or remaining tenure.
20	Can I request for a variation of the automatic moratorium? (For example, 3 months instead of 6 months moratorium, or continue interest/profit servicing instead of deferring both principal and interest/profit.)	No. The automatic moratorium on 1 st April 2020, is for a deferment period of 6 months.
Section 2a: Specific questions on how it works for Term Loan/Term Financing-i (TL/TF-i)		
21	Will I be informed if I am enrolled into the 6-month moratorium?	No, you will not be notified individually, but the moratorium programme is extended to all SME customers. The information pertaining to the moratorium will be made available on CIMB's website.
22	What will happen to my loan/financing repayments/payments after the moratorium programme period?	For all TL/TF-i (Except BizFlexi): At the end of the moratorium period (1 st October 2020), your remaining tenure will be adjusted to reflect the additional 6 months that has been deferred. Your instalment amount will be adjusted to include the interest/profit that has been accrued. If you wish to maintain your instalment amount and defer payment of the accrued interest/profit as a one lump sum payment at the end of your loan/financing tenure, you may

		<p>contact your Relationship Manager or email us at sme.enquiry@cimb.com</p> <p>For BizFlexi: At the end of the moratorium period (1st October 2020), your remaining tenure will be adjusted to reflect the additional 6 months that has been deferred. Your instalment amount will NOT be adjusted. The interest/profit accrued during the moratorium period will be charged as a one lump sum payment at the end of your loan/financing tenure.</p>
23	Can I apply for a new loan/financing whilst I have loans/financing under the 6-month moratorium programme?	Yes, you may apply for other loans/financing with CIMB. However, your application is subject to the bank's approval.
24	If I am currently enrolled under the Credit Guarantee Corporation (CGC) Programme, will I be eligible for this moratorium programme?	Yes, you will be eligible.
Section 2b: Specific questions on how it works for Trade Finance Loan/Financing		
25	Will trade finance loans/financing be eligible for the moratorium? How will the moratorium work for trade loans/financing?	Yes, trade finance loans/financing, which is due from 1 st April 2020 to 30 th September 2020, will be granted an automatic moratorium.
26	How does the extension of a trade finance loan/financing work?	<p>All trade finance loans/financing, with a maturity date during the moratorium period, will be converted to a Multi-Currency Trade Loan (MCTL)/Multi-Currency Trade Financing-i (MCTF-i) with a new maturity date on 1st October 2020.</p> <p>For example, a Bankers Acceptance (BA)/Accepted Bills-i (AB-i) with a maturity date on 1st April 2020, will be converted to an MCTL/MCTF-i with a maturity date on 1st October 2020.</p> <p>Likewise, a BA/AB-i with a maturity date on 30th September 2020, will be converted to an MCTL/MCTF-i with a maturity date on 1st October 2020.</p>

		For ease of reference, the creation of a new loan/financing is referred to as having the same meaning and purpose of an extension of the original loan/financing.
27	Do I have to pay the outstanding interest/profit before my trade loan/financing is extended?	No, you do not have to pay the outstanding interest/profit before your trade finance loan/financing is extended.
28	Is there any handling or processing fee that will be charged for the extension?	Handling/processing fees will not be charged for the extension.
29	Does the extension apply to my company's sales/export trade finance loan/financing?	Yes, both trade loan/financing for sales/export and purchase/import are eligible.
30	Will the loan/financing principal amount remain the same?	The Principal amount of the extended loan/financing remains unchanged.
31	Will the pricing (all-in-rate) of the extended loan/financing be different?	<p>The margin/spread is maintained as per the current loan/financing.</p> <p>There will be a pricing differentiation due to the funding rate e.g. MYR Cost of Fund (COF) and commitment for a different tenure.</p> <p>If the current trade finance loan/financing was priced against Base Lending Rates (BLR)/Base Financing Rates (BFR), the prevailing BLR/ BFR at the time of extension shall apply on the extended MCTL/MCTF-i.</p> <p>If the current trade finance loan/financing is under BA/AB-i, the BA/AB-i COF will not apply for your extended MCTL/MCTF-i. For the avoidance of doubt, MYR COF will apply.</p>
32	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 Business Contact Centre immediately if you do not receive your advice.</p>

33	Can I prepay the extended loan/financing to free up the facility limit for new loans/financing?	Yes. The outstanding interest/profit of the original trade loan/financing will also have to be paid before the pre-payment is allowed.
34	What is the indicative penalty (break funding cost) that will be applied to my loan/financing?	You may contact your Relationship Manager or our Business Call Centre.
Section 2c: Specific questions on how it works for Overdraft and Cash Line-i (OD/CL-i)		
35	I have an OD/CL-i, will the moratorium apply to me?	It applies only to OD/CL-i facilities, which were disbursed prior to 1 April 2020, with balances in excess of the approved limit as at 1 st April 2020. If your OD/CL-i is not in excess, it is not included in the moratorium and you may continue to utilise your facility as usual.
36	How do I know if I am eligible for the OD/CL-i moratorium programme?	The moratorium programme applies to all OD/CL-i in excess of the approved limit no longer than 90 days past due as at 1 April 2020. If your OD/CL-i excess balance exceeds 90 days past due as at 1 April 2020, we will work with you on rescheduling or restructuring options.
37	Does the moratorium apply for new OD/CL-i applied/approved after 1 April 2020?	No, the moratorium is not applicable to any OD/CL-i disbursed after 1 April 2020.
38	Do I qualify for the automatic moratorium if my balance in excess of the approved limit is after 31 st March 2020?	For balances in excess of the approved limit after 31 st March 2020, the automatic moratorium will not apply. You are required to apply for the moratorium by either: I. Contacting our Business Contact Centre at 1300 888 828 (Local) or +603 2297 3000 (Overseas); or II. Contacting your Relationship Manager.
39	When do I resume the monthly interest/profit accrual repayments/payments based on the limit and amount in excess?	You are required to resume the monthly interest/profit accrual repayments/payments on 1 st November 2020.
40	When do I have to settle the amount in excess of the approved limit.	You are required to settle the amount in excess of the approved limit by 1 st November 2020. This includes

		settlement of the interest/profit accrued during the moratorium period.
41	Can I opt-out of the moratorium?	<p>Yes. However, you have to fully settle both the:</p> <ul style="list-style-type: none"> • interest/profit repayment/payment on the balance in excess of the approved limit; and/or • amount in excess of the approved limit. <p>You may opt-out by:</p> <ol style="list-style-type: none"> Contacting our Business Contact Centre at 1300 888 828 (Local) or +603 2297 3000 (Overseas); or Contacting your Relationship Manager.
42	What if I require longer than the 6 months provided in the moratorium?	<p>The moratorium period is only for 6 months, as announced by BNM. However, please let us know should you face difficulties in meeting payments after the 6-month moratorium period.</p> <p>You may do so by emailing us at sme.enquiry@cimb.com or calling our Business Contact Centre at 1300 888 828.</p> <p>We will be happy to work with you to agree on a payment plan for settlement of the accrued excess, which may include a payment plan of between 6 to 12 months.</p>
43	Can I continue using my OD/CL-i available drawing balance during this moratorium programme?	Yes, you may continue to utilise your OD/CL-i provided there is available limit. Please refer to Q35.
44	Will the bank charge interest/profit during the moratorium period?	Yes, interest/profit will continue to be charged during the moratorium, and the accrued interest/profit will be charged to you on the November billing.
Section 2d: Specific questions on how it works for Revolving Credit/Revolving Credit-i (RC/RC-i)		
45	I have an RC/RC-i facility. Will the moratorium apply to me?	<p>Yes, RC/RC-i facilities that are not exceeding 90 days past due as at 1 April 2020 are eligible for the moratorium.</p> <p>The eligible RC/RC-i facilities that have due dates within the moratorium period, i.e. April to September 2020, will have their due dates deferred to 1st October.</p>
46	Can I continue to pay down my outstanding balance for my RC/RC-i during the moratorium period?	Yes, you can continue to pay down your outstanding amount and interest/profit charges during the moratorium period, prior to the 1 st October deferred due date.

Section 3: Opt Out Process		
47	How do I opt-out of the automatic moratorium programme?	To opt-out of the moratorium programme, kindly Contact our Business Contact Centre at 1300 888 828 (Local) or +603 2297 3000 (Overseas). Please note, that the opt-out will only be effective in the following month. You may continue with your monthly payments.
48	Can I opt-out of the moratorium programme half way through the moratorium period?	For TL/TF-i: You may opt-out any time before 31 st August 2020 as per the process spelt out in Q47. For Trade Loans/Financing: You may opt-out as per the process spelt out in Q47.
49	I have multiple loans /financing with CIMB. Can I opt out on selected loans/financing?	The opt-out option operates as a blanket for all your loans / financing with CIMB.
50	Can I opt-in again after I have opted out?	Yes, you may request to opt-in again after you have opted out however, it will not be automatic and will be subject to the bank's assessment and approval.
Section 4: Payment Related		
51	What should I do if the payment for my loan / financing is through an Auto Debit via a CIMB Account?	If the auto payment deduction from your account was signed up with CIMB, it will be automatically updated and auto payment will be stopped throughout the period. It will resume on 1 st October 2020 onwards.
52	What should I do if the payment for my loan / financing is through a scheduled Standing Instruction that I set up in CIMB Clicks/ BizChannel@CIMB/Branch?	You will need to login to CIMB Clicks/ BizChannel@CIMB to change the Scheduled Payment to 1 st October 2020.
53	What should I do if the payment for my loan / financing is through a scheduled standing instruction from another bank?	Please contact your respective bank to stop the standing instruction for the 6-month period.
54	I have already paid my instalment for the month of April 2020, what will happen to the payment?	Any payment made for instalments due from 1 st April to 30 th September is deemed as an "advance payment" and will take effect on 1 st October 2020.

Additional Questions:		
55	Are corporate borrowers/customers eligible to defer the payment of interest/profit and/or principal on their bonds/sukuk issuances?	No. The moratorium only applies to loans/financing facilities offered by financial institutions.
Programme 2: Bank Negara Malaysia Special Relief Facility / Special Relief Facility-i (BNM SRF / SRF-i) for SMEs		
<p>[New] Important Note:</p> <p>In reference to Bank Negara Malaysia's announcement on 30 March 2020, regarding the allocation of a RM5.0 billion Special Relief Facility/-i (SRF/-i) to assist SMEs affected by the recent COVID-19 outbreak, we wish to inform that the facility has been fully utilised and as such will no longer be offered.</p> <p>SMEs that require further financial assistance, may explore the following options:</p> <ul style="list-style-type: none"> • Apply for other financing products offered by CIMB. For info on CIMB Financing products, please visit https://www.cimbbank.com.my/en/business/products/financing.html or https://www.cimbislamic.com.my/en/business/products/financing.html • Please visit www.myknp.com.my for alternative financing/solutions • You may call our Business Call Centre at 1300 888 828 (Local) or +603 2297 3000 (Overseas) or e-mail to mybusinesscare@cimb.com for more information on our financing products. 		