



Small Medium Enterprise Development  
Bank Malaysia Berhad (49572-H)

**Business Accelerator Program (BAP) – Fixed Working Capital Financing (BAP FWC)**

Date : \_\_\_\_\_  
(to be filled by Relationship Management)

**PRODUCT DISCLOSURE SHEET**

(Read this Product Disclosure Sheet before you decide to take-up the Business Accelerator Program (BAP) – Fixed Working Capital Financing (BAP FWC). Be sure to also read the terms in the Letter of Offer. Seek clarification from your Institution if you do not understand any part of this document or the general terms)

**1. What is the Program about?**

Business Accelerator Program (BAP) is a collaborative financing program with SME Corporation Malaysia to provide financial assistance in the form of soft financing for asset acquisition and/ or working capital requirement to SMEs in strengthening their core business, building capacity and capability, and facilitating access to financing.

In addition to the existing BAP financing, to continuously serve and assist SMEs to recover from COVID-19 pandemic, a fixed working capital financing only of up to RM500,000 under BAP (BAP FWC) had been launched recently and to be effective from 28 January 2022 until 31 December 2022 or until full utilization of the allocated fund.

**2. What is the Shariah concept(s) applicable?**

The Shariah concepts applicable to the program is :

**Commodity Murabahah via Tawarruq**

Commodity Murabahah is Murabahah (cost-plus-profit) via Tawarruq arrangement. A Tawarruq consists of two sale and purchase contracts. The first involves the sale of a specified commodity (such as crude palm oil) by the Bank to the Customer on a deferred basis at a cost-plus-profit price over an agreed period of time. Subsequently, the Customer will sell the same commodity to a third party on a cash and spot basis.

**3. What do I get from this Program?**

We shall provide you financing facility(ies) via our existing product, i.e. Commodity Murabahah Term Financing-i (CMTF-i) Facility

**Illustration:**

- Financing Amount : • Minimum RM50,000.00  
• Maximum RM500,000.00
- Tenure : • Up to 7 years including grace/moratorium period of not more than 12 months
- Margin of Financing : Up to 100%

Profit Rate	:	Up to 4.0% p.a. on yearly rest

**4. What are my obligations?**

**CMTF-i Facility**

- To pay the scheduled payments comprising of principal and/ or profit.
- Payments are generally scheduled on monthly/ quarterly/ half-yearly/ yearly basis.
- To settle all amounts outstanding on or before maturity date.

**Illustration:**

- Financing Amount : RM500,000.00
- Tenure : 5 years
- Profit Rate : 4.0% p.a. on yearly rest
- Bank's Purchase Price : RM500,000.00
- Bank's Selling Price : RM563,012.36

## 5. What are the fees and charges that I have to pay?

### a) Stamp Duties:

As per the Stamp Duty Act 1949 (Revised 1989).

### b) Legal and Disbursement Fees:

As per Solicitor's Remuneration Order including fees for registration of charge, land search, bankruptcy search, taxes and other charges as per the scale fees charged by the Solicitors.

### c) Valuation Fee:

As charge by the Valuer (if applicable).

### d) Trading Fee:

The trading fee for buying and selling the commodities shall be charged to the customer's as part of fees & charges. The customer shall pay the trading fee of RM10.00 for RM1,000,000.00 or part thereof for every transaction (if applicable).

### e) Other Fees and Charges:

All fees and charges are non-refundable and may be updated by the Bank on our website at [www.smebank.com.my](http://www.smebank.com.my) from time to time.

## 6. What if I fail to fulfill my obligations?

- Ta'widh (compensation) for Late Payment

**The Bank has the right to be compensated on late and default payment based on the following mechanism:**

### **Before maturity**

Actual loss up to 1% on overdue payment for facility within default period as per the following formula:

$$\text{Overdue Installment(s)} \times 1\% \times \text{No. of Overdue day(s)} / 365$$

### **After maturity**

Bank shall collect compensation charges from date of maturity to date of payment on actual loss up to prevailing IIMM rate on outstanding balance, as per the following formula:

$$\text{Outstanding Balance} \times \text{IIMM}\% \times \text{No. of Overdue day(s)} / 365$$

### **Post Judgement**

The court may impose a late payment charge on judgement debt, subsequent to the judgement.

The formula for late payment charges on post judgement as following:

$$\text{Judgement Sum} \times \text{IIMM}\% \times \text{No. of Overdue day(s)} / 365$$

Note:

- i. IIMM = Islamic Interbank Money Market
  - ii. The compensation for late payment shall not be compounded or by any other method approved by the Shariah Advisory Council of Bank Negara Malaysia.
- Legal action will be taken if you fail to respond to reminder notices. The security may be enforced and you will have to bear all costs. You are also responsible to settle any shortfall after the security is disposed.

For sample of illustrations on the application of Ta'widh, kindly refer to our website at [www.smebank.com.my](http://www.smebank.com.my)

## 7. What if I fully settle the financing before its maturity?

In line with BNM Guideline on Ibra' (rebate) for Sale Based Financing, Ibra' shall be granted for early settlement before the end of the financing tenure. Settlement prior to the end of the financing tenure shall include, but is not limited to, the following situations:

- Early settlement or early redemption, including those arising from prepayments;
- Settlement of the original financing contract due to financing restructuring exercise;
- Settlement in the event of default; and
- Settlement in the event of termination or cancellation of financing before the maturity date.

For variable rate financing, the Bank shall grant Ibra' on the difference between Ceiling Profit Rate and Prevailing Profit Rate.

Formula calculation of Ibra':

$$\text{Ibra' (Rebate)} = \text{Unearned Profit} - \text{Early Settlement Charges (if any)}$$

For sample of illustrations on the application of Ibra' and settlement amount formula, kindly refer to our website at [www.smebank.com.my](http://www.smebank.com.my)

**8. Do I need to provide collateral or guarantor?**

The Bank will evaluate the requirement for collateral and/ or guarantor and advise you on it before we offer the financing facility.

**9. Do I need any Takaful coverage?**

You may maintain such Takaful policies against all risks in respect of your banking facilities from such Takaful provider acceptable to the Bank.

**10. What are the major risks?**

- Should there be a reduction in Bank's BFR, you may not be able to enjoy any reduction in the agreed profit rate.
- 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 changes in your contact details to ensure that all correspondences reach you in timely manner.

**12. Where can I get assistance and redress?**

- If you have difficulties in making payments, you should contact us as soon as possible to discuss payment alternatives. You may contact us at:  
Customer Service Management: 03-2603 7700 Website: [www.smebank.com.my](http://www.smebank.com.my)
- If you wish to complain about the products and services provided by us, you may contact us at 03-2603 7700 or email us at [customercare@smebank.com.my](mailto:customercare@smebank.com.my) or send your letter to:  
Customer Service Management  
SME Bank, Level 10, Menara SME Bank  
Jalan Sultan Ismail  
50250 Kuala Lumpur
- If our reply to your query or complaint is not satisfactory to you, 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  
E-mail: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

**13. Where can I get further information?**

Should you require additional information of the product / on obtaining financing facility, please refer to our website at [www.smebank.com.my](http://www.smebank.com.my) or call our Hot Line 03-2603 7700.

**14. Other financing packages available?**

We also provide asset financing/ refinancing, working capital financing, contract financing, equity financing and other dedicated program financing.

**IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF PAYMENTS ON YOUR FINANCING FACILITY(IES) ARE NOT PAID PROMPTLY ON THE DUE DATES**

The information provided in this disclosure sheet is valid as at