

## FAQs on Repayment Assistance Programme for Microenterprises & SMEs

### - Business Banking

LAST UPDATED: 07<sup>th</sup> July 2021

No.	Question	Answer
1.	Who are eligible for Repayment Assistance Programme?	<p>A business which meets the following criteria:</p> <ol style="list-style-type: none"> <li>Microenterprises</li> <li>Small and Medium Enterprises (SMEs) which financial conditions has been adversely affected by the pandemics;</li> <li>Microenterprises/ SMEs that are <u>NOT</u> under winding up process.</li> <li>Owner(s)/shareholder(s) of the Microenterprises/ SMEs is <u>NOT</u> a bankruptcy charge;</li> <li>Loan(s)/ Financing(s) approved before 30 June 2021; AND</li> <li>At the date of application, not in arrears exceeding 90 Day Past Due “DPD”.</li> </ol>
2.	Am/Are I/We an eligible SME?	<p>A business can qualify as an SME if it meets either one of the two specified criteria, namely sales turnover or full-time employees, whichever is lower.</p> <ul style="list-style-type: none"> <li><b>Manufacturing:</b> Sales turnover not exceeding RM50million OR full-time employees not exceeding 200 workers</li> <li><b>Services and other sectors:</b> Sales turnover not exceeding RM20million OR full-time employees not exceeding 75 workers</li> </ul> <p>For the avoidance of doubt, SME borrowers/customers are defined in accordance with the <i>Guideline for New SME Definition</i> issued by SME Corporation Malaysia in October 2013.</p>
3.	Am/Are I/ We an eligible Microenterprise?	<p>A business can qualify as Microenterprise if it meets the following criteria:</p> <ol style="list-style-type: none"> <li>Annual sales turnover of less than RM300,000; OR</li> <li>Less than 5 full-time employees;</li> </ol> <p>For the avoidance of doubt, Microenterprise(s) borrowers/customers are defined in accordance with the <i>Guideline for New SME Definition</i> issued by SME Corporation Malaysia in October 2013.</p>
4.	What are the eligible facilities?	<p>Any of the following credit facilities which were approved before 30 June 2021 and remain performing (not in arrears exceeding 90 days as at the date of application):</p> <ol style="list-style-type: none"> <li>Term loan/Term financing-i</li> <li>Term loan/ Term financing-i that have been converted from trade bills, Bank Guarantees or overdraft facilities</li> <li>Trade bills</li> <li>Overdraft</li> <li>SRF financing with repayment starting soon</li> </ol>
5.	What is the validity period of the Repayment Assistance Programme?	<p>This program is operational will be made available commencing from 7<sup>th</sup> July 2021 until such time where movement control restrictions remain in place.</p>

6.	<p>What are the available options under Repayment Assistance Programme?</p>	<p>The following options, are developed for eligible Microenterprise(s) OR SMEs which financial conditions have been adversely affected by the Covid-19 pandemic at the time of application(s): -</p> <p><b>Option 1: Moratorium of 6 months</b></p> <table border="1"> <tr> <td data-bbox="662 365 824 478">Term Loan/ Financing</td> <td data-bbox="824 365 1438 478"> <ul style="list-style-type: none"> <li>6 months of full moratorium (principal and interest/profit).</li> <li>Financing tenure extended by 6 months.</li> </ul> </td> </tr> <tr> <td data-bbox="662 478 824 625">Trade</td> <td data-bbox="824 478 1438 625"> <ul style="list-style-type: none"> <li>To extend up to 180 days of tenure extension from original maturity date</li> <li>Applicable outstanding bills as at application date including overdue bills.</li> </ul> </td> </tr> <tr> <td data-bbox="662 625 824 877">Overdraft (OD)</td> <td data-bbox="824 625 1438 877"> <ul style="list-style-type: none"> <li>Applies to accounts in excess from 1 June 2021 up to 6 months of excesses Temporary Overdraft (TOD) will be created to accommodate the accrued interest/excess which will be repaid over 6 months.</li> <li>Any imposed reduction of OD limit shall be suspended for 6 months.</li> </ul> </td> </tr> <tr> <td data-bbox="662 877 824 1024">Other conditions</td> <td data-bbox="824 877 1438 1024"> <ul style="list-style-type: none"> <li>Suspension of Sinking Fund contribution for 6 months</li> <li>Suspension of Trade re-availment or scheduled reduction in existing facilities for 6 months.</li> </ul> </td> </tr> </table> <p><b>Option 2: 50% reduction in instalments for 6 months</b></p> <table border="1"> <tr> <td data-bbox="662 1115 824 1255">Term Loan/ Financing</td> <td data-bbox="824 1115 1438 1255"> <ul style="list-style-type: none"> <li>50% reduction of monthly instalments for 6 months.</li> <li>3 months tenure extension with the extended maturity date.</li> </ul> </td> </tr> <tr> <td data-bbox="662 1255 824 1549">Trade</td> <td data-bbox="824 1255 1438 1549"> <ul style="list-style-type: none"> <li>Trade bills to be converted to Restructure Bill Term Loan (RBTL)/ Short Term Financing-i (STF-i)</li> <li>Aggregate bills up to RM250K: RBTL/ STF-i of 3 months.</li> <li>Aggregate bills exceeding RM250K: RBTL/ STF-i of 6 months.</li> <li>Applicable to outstanding bills as at application date including overdue bills.</li> </ul> </td> </tr> </table> <p>You are encouraged to contact our Business Engagement Team hotline at 03-2616 6800 to obtain specific details including cost implications, changes in the repayment schedule (tenure), revision in monthly instalment payment, additional cost of borrowings/financings and any bullet payments due in the future before you confirm your options under this programme.</p>	Term Loan/ Financing	<ul style="list-style-type: none"> <li>6 months of full moratorium (principal and interest/profit).</li> <li>Financing tenure extended by 6 months.</li> </ul>	Trade	<ul style="list-style-type: none"> <li>To extend up to 180 days of tenure extension from original maturity date</li> <li>Applicable outstanding bills as at application date including overdue bills.</li> </ul>	Overdraft (OD)	<ul style="list-style-type: none"> <li>Applies to accounts in excess from 1 June 2021 up to 6 months of excesses Temporary Overdraft (TOD) will be created to accommodate the accrued interest/excess which will be repaid over 6 months.</li> <li>Any imposed reduction of OD limit shall be suspended for 6 months.</li> </ul>	Other conditions	<ul style="list-style-type: none"> <li>Suspension of Sinking Fund contribution for 6 months</li> <li>Suspension of Trade re-availment or scheduled reduction in existing facilities for 6 months.</li> </ul>	Term Loan/ Financing	<ul style="list-style-type: none"> <li>50% reduction of monthly instalments for 6 months.</li> <li>3 months tenure extension with the extended maturity date.</li> </ul>	Trade	<ul style="list-style-type: none"> <li>Trade bills to be converted to Restructure Bill Term Loan (RBTL)/ Short Term Financing-i (STF-i)</li> <li>Aggregate bills up to RM250K: RBTL/ STF-i of 3 months.</li> <li>Aggregate bills exceeding RM250K: RBTL/ STF-i of 6 months.</li> <li>Applicable to outstanding bills as at application date including overdue bills.</li> </ul>
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7.	What are the interests/profit or charges penalty interest/profit for the available options under Repayment Assistance Programme?	<p>For both options:</p> <ol style="list-style-type: none"> <li>Bank will not compound interest/profit or charge penalty interest/profit rates during the 6 months selected options. Please be informed that the interest/profit continues to accrue on the outstanding balance/deferred amount.</li> <li>By default, at the end of the 6 month's period, instalments for fixed rate facilities will revert to the original contracted instalment amount, with tenure extensions where necessary to account for interest/profit costs.</li> </ol> <p>However, you are advised to compare the benefits and cost of borrowings/ cost of financing on the available options under Repayment Assistance Programme.</p>
8.	How do I/we apply?	<p>You may reach out to us for application/ enquiry/ further clarification via one of the following channels:</p> <ol style="list-style-type: none"> <li>Click on the following URL to submit your request: <a href="https://forms.uob.com.my/appforms/business/bb-moratorium.page">https://forms.uob.com.my/appforms/business/bb-moratorium.page</a></li> <li>or</li> <li>You may email us at <a href="mailto:businessbanking.servicecentre@uob.com.my">businessbanking.servicecentre@uob.com.my</a></li> <li>or</li> <li>You could contact our Business Engagement Team hotline at <a href="tel:03-26166800">03-2616 6800</a> (Monday to Friday 9.00am to 5.30pm)</li> </ol>
9.	Can loan(s)/ financing(s) under other Repayment Assistance eligible for this Repayment Assistance Programme?	<p>Yes, for those Microenterprises OR SMEs loan(s)/financing(s) under other Repayment Assistance Programme are also eligible for the Repayment Assistance Programme subject to meeting the eligibility criteria stated in item 1.</p> <p>The existing terms for loan(s)/financing(s) under other Repayment Assistance Programme will resume once the selected Repayment Assistance Programme expires.</p>
10.	Will my/our application for Repayment Assistance Programme be recorded as "Restructured & Rescheduled" in (CCRIS)?	<p>No, this application will not be recorded as restructured and rescheduled in CCRIS as long as your application is received by the Bank on or before 31 December 2021.</p>
11.	What will happen after I/We submitted my/our Repayment Assistance Programme application?	<p>You will receive an acknowledgement on application and approval letter on your selected package within 2 calendar days for applications received by 5pm of each working day.</p> <p>In the event you do not hear from us on the approval within the stipulated timeline above, you will still receive a holding reply that your request is still being processed and followed by an approval letter no later than 5 calendar days.</p>

12.	Do I/We need to submit company documents for Repayment Assistance Programme application?	<p>For both Microenterprises/ SME(s), you only require to submit a standard application form.</p> <p>However for SME(s), the bank may ask for supporting documents after Repayment Assistance Programme has been approved. This is to enable the bank to conduct post ad hoc validation for among others, viability assessment over the SME(s). Notwithstanding this, should the bank finds out that the customer has misled the bank at the point of application, the bank may rescind and re-negotiate the assistance initially granted.</p>
13.	When do I/We know the outcome of our Repayment Assistance Programme?	<p>You will receive an approval letter which notifies you that the aforesaid application has been approved.</p> <p>However thereafter we will still issue you an official Supplementary Letter Offer (SLO) / Letter of notification (LN) to specify on the date and instalments amount.</p>
14.	When do my/our loan(s)/ financing(s) started to enjoy selected option under Repayment Assistance Programme?	<p>Please be informed that the selected option will only be made available for instalments due in July 2021 onwards.</p> <p>(i) For applications <u>made in July 2021</u>, assistance can be effective from July. In the event any form of repayment has been automatically deducted you may opt for reimbursement.</p> <p>(ii) For applications <u>made after July 2021</u>, assistance will commence from the next instalment from the date of selection.</p>
15.	Is the bank allowed to impose conditions (e.g. to regularise the account) before giving this Repayment Assistance Programme?	<p>No. Bank will not impose any additional eligibility criteria.</p> <p>However, you are advised to compare the benefits and cost of borrowings/ cost of financing of the available options under this Repayment Assistance Programme.</p>
16.	Are Investment Holding Companies eligible for options under Repayment Assistance Programme?	<p>Yes. Repayment Assistance Programme is applicable to investment holding companies upon your self-declaration that their financial condition has been 'adversely affected by the Covid-19 pandemic:</p>
17.	If my/our facilities is/are currently under progressive release (service interest/ profit) only, can I/We apply for options under Repayment Assistance Programme?	<p>Yes, as long as you meet the eligibility criteria stated in item 1, you will be eligible for Option 1 ONLY.</p>
18.	Can I/We opt for both Option 1 & Option 2 under Repayment Assistance Programme?	<p>No. You can only select either Option 1 or Option 2. It cannot be a combination of both.</p>

19.	Can I/We request for early settlement of our loan(s)/financing(s) after I/we have enrolled into this Repayment Assistance Programme?	<p>Yes. Please contact our Business Engagement Team hotline at <a href="tel:03-26166800">03-2616 6800</a> (Monday to Friday 9.00am to 5.30pm) or email us at <a href="mailto:businessbanking.servicecentre@uob.com.my">businessbanking.servicecentre@uob.com.my</a> for early settlement requests.</p> <p>Kindly also be guided by the terms &amp; conditions in your letter of offer, supplementary or notification letter pertaining to your loan(s)/financing(s).</p>
20.	Is this Repayment Assistance Programme applicable to non-performing facilities?	<p>No. Repayment Assistance Programme is <u>NOT</u> applicable to non-performing facilities.</p> <p>However, you are encouraged to approach Agensi Kaunseling &amp; Pengurusan Kredit “AKPK” to work out a sustainable and appropriate repayment assistance in accordance to your company financial circumstances to alleviate your financial hardship.</p>



