



ALLIANCE BANK

BNM's Fund for SMEs Terms & Conditions

BNM's Funds for SMEs – under All Economic Sector (AES) Facility

Objective	To enhance access to financing for SMEs in all economic sectors, in particular underserved SMEs, at a reasonable cost
Eligibility	<ul style="list-style-type: none"> • Must be SMEs per National SME Development Council's (NSDC) definition • Registered with the Companies Commission of Malaysia (SSM), authorities/ district offices in Sabah & Sarawak or statutory bodies for professional service providers • Shareholding by Public Listed Companies and Government Linked Companies (if any) in the SMEs shall not exceed 20% • Malaysians residing in Malaysia hold a minimum of 51% shareholding in the SMEs.
Purpose of financing	<ul style="list-style-type: none"> • Capital Expenditure (e.g. purchase of machinery and equipment or renovation cost for owner-occupied business premises); or • Working Capital <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> • Purchase of shares • Refinancing of existing credit/ financing facilities • Purchase of land/ real estate investment • Property development • Investment by investment holding companies • Activities where the stock in trade in money (including credit, leading, factoring and insurance businesses) • Gambling, alcohol, tobacco or other similar type of activities and products • Non- Shariah-compliant business activities (applicable for Islamic Financing)
Maximum Financing Rate (as per BNM risk profile rating)	<p>Risk rating 3: Up to 5.0% p.a. Risk rating 4: Up to 6.0% p.a. Risk rating 5: Up to 7.0% p.a.</p>
Guarantee Cover	Guarantee cover ranging from 30% – 80%
Guarantee Fee	<p>Secured Portion :-Between 0.50% and 1.85% per annum. Unsecured Portion :-Between 0.80% and 2.15% per annum.</p>
Maximum Financing Tenure	Not exceed 5 years from the date of first drawdown
Financing Limit	<p>Maximum aggregate amount of financing under the Fund shall be limited to RM5 million per SME, include financing:</p> <ul style="list-style-type: none"> • approved under any of BNM's Funds (exclusive any special assistance established by BNM to assist SMEs that are affected by disaster); and • to any related companies of the SMEs with common shareholder(s), unless the related companies of the SME have different workforces. In such cases, each SME has a financing limit of RM5 million respectively.
Availability	Until Full Utilization

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and where ver applicable, we will be entitled to recover such taxes from you.

SME Automation & Digitalisation Facility (ADF)

Objective	To incentivise SMEs to automate processes and digitalise operations to increase productivity and efficiency
Eligibility	<ul style="list-style-type: none"> Must be SMEs per National SME Development Council's (NSDC) definition Registered with the Companies Commission of Malaysia (SSM), authorities/district offices in Sabah and Sarawak or statutory bodies for professional service providers Shareholding by Public Listed Companies and Government Linked Companies (if any) in the SMEs shall not exceed 20% Malaysian residing in Malaysia that hold a minimum of 51% shareholding in the SMEs
Purpose of financing	<ul style="list-style-type: none"> Purchase of equipment, machinery, computer hardware and software, IT solutions and services, technology support service, and other intangible assets to enhance productivity and efficiency <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> Purchase of shares Refinancing of existing credit/ financing facilities Purchase of land/ real estate investment Property development Investment by investment holding companies Activities where the stock in trade is money (including credit, leasing, factoring and insurance businesses) Gambling, alcohol, tobacco or other similar activities/ products Non-Shariah compliant activities (applies to Islamic financing only)
Maximum Financing Rate	<ul style="list-style-type: none"> Effective financing rate of 4.0% per annum, inclusive of guarantee fee, if any For Islamic financing, the profit rate for the Islamic contract is up to 4.0% per annum, inclusive of guarantee fee, if any
Guarantee Cover	Guarantee coverage can be obtained from Credit Guarantee Corporation (CGC) or Syarikat Jaminan Pembiayaan Perniagaan (SJPP)
Type Of Financing	Term Loan only
Maximum Financing Tenure	Up to 10 years from the date of the first drawdown
Maximum Financing Limit	<ul style="list-style-type: none"> RM3 million per SME, inclusive of financing to related companies that have common shareholder(s) Related SMEs with common shareholder(s) are now allowed to have separate limits on the maximum amount of financing under BNM's Fund for SMEs, subject to each SME having separate workforces The maximum aggregate financing amount of RM5 million per SME under the BNM's Fund for SMEs does not apply to this Facility
Availability	Up to 30 June 2021

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, we will be entitled to recover such taxes from you.

Agrofood Facility (AF)

Objective	To increase agrofood production for Malaysia and for export purposes through the provision of financing at affordable rates
Eligibility	<ul style="list-style-type: none"> • Must be SMEs per National SME Development Council's (NSDC) definition • Registered with the Companies Commission of Malaysia (SSM), authorities/district offices in Sabah and Sarawak or statutory bodies for professional service providers • Shareholding by Public Listed Companies and Government Linked Companies (if any) in the SMEs shall not exceed 20% • Malaysian residing in Malaysia that hold a minimum of 51% shareholding in the SMEs
Purpose of financing	<ul style="list-style-type: none"> • Capital expenditures • Working capital • Development of agrofood project <p>Agrofood activities eligible for financing under the Facility shall fulfil all of the following criteria:</p> <ul style="list-style-type: none"> • Viable projects involving primary agrofood production (upstream), agrofood processing/ manufacturing, or other agrofood downstream activities; and • Supportive of domestic primary agrofood production; and <ul style="list-style-type: none"> a) For agrofood manufacturing, at least half of the key input is sourced domestically; or b) For other agrofood related service, at least half of the activities are supportive of domestic agrofood production • Domestic oriented, where at least half of the total production is sold in the domestic market <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> • Purchase of shares • Refinancing of existing credit/ financing facilities • Purchase of land for non agrofood purposes • Property development • Investment by investment holding companies • Activities where the stock in trade is money (including credit, leasing, factoring and insurance businesses) • Gambling, alcohol, tobacco or other similar activities/ products • Non-Shariah compliant activities (applies to Islamic financing only)
Maximum Financing Rate	<ul style="list-style-type: none"> • Effective financing rate of 3.75% per annum, inclusive of guarantee fee, if any • For Islamic financing, the profit rate for the Islamic contract is up to 3.75% per annum, inclusive of guarantee fee, if any
Guarantee Cover	Guarantee coverage can be obtained from Credit Guarantee Corporation (CGC) or Syarikat Jaminan Pembiayaan Perniagaan (SJPP)
Maximum Financing Tenure	Up to 8 years from the date of the first drawdown
Maximum Financing Limit	<ul style="list-style-type: none"> • RM5 million per SME, inclusive of financing to related companies that have common shareholder(s) • Related SMEs with common shareholder(s) are now allowed to have separate limits on maximum amount of financing under BNM's Fund for SMEs, subject to each SME having separate workforces
Availability	Until Full Utilization

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, we will be entitled to recover such taxes from you.

PENJANA Tourism Financing (PTF)

Objective	To support viable SMEs in the tourism sector by preserving their capacity and assisting them to adjust and remain viable post COVID-19
Eligibility	<ul style="list-style-type: none">Malaysian SMEs in the core tourism and tourism-related sectors which are either:<ol style="list-style-type: none">SMEs as defined by SME Corp Malaysia; ORLicensed by / registered with MOTACThe eligible sectors are as follows:<ol style="list-style-type: none">Core tourism: Tourism accommodation premises (e.g. budget hotels, homestays registered with MOTAC, chalet and resorts), travel agencies, tour operators, transportation for tourists (e.g. bus, boat and car rental operators); andTourism-related: Medical tourism, MICE (Meetings, Incentives, Conferences, Exhibitions) ecosystem, money service operator, and tourism-related retail, recreation and wellness.Special Relief Facility's (SRF) and PENJANA SME Financing's (PSF) recipients are NOT eligible for the PTF.
Purpose of financing	<ul style="list-style-type: none">Capital expendituresWorking capital <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none">Purchase of sharesRefinancing of existing credit/ financing facilitiesPurchase of land for non agrofood purposesProperty developmentInvestment by investment holding companiesActivities where the stock in trade is money (including credit, leasing, factoring and insurance businesses)Gambling, alcohol, tobacco or other similar activities/ productsNon-Shariah compliant activities (applies to Islamic financing only)
Maximum Financing Rate	<ul style="list-style-type: none">Effective financing rate of 3.5% per annum, inclusive of guarantee fee, if anyFor Islamic financing, the profit rate for the Islamic contract is up to 3.5% per annum, inclusive of guarantee fee, if any
Guarantee Cover	Guarantee coverage can be obtained from Syarikat Jaminan Pembiayaan Perniagaan (SJPP)
Maximum Financing Tenure	Up to 7 years from the date of the first drawdown (inclusive of 6 months moratorium on monthly installment)
Maximum Financing Limit	<ul style="list-style-type: none">SME: Up to RM300k (Min RM50k)Micro Enterprise: Up to RM75k (Min RM10k) <p>Note: The above is applicable for associated companies for SMEs with common shareholder(s) i.e. with >20% shareholding</p>
Availability	Until Full Utilization

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, we will be entitled to recover such taxes from you.

Targeted Relief and Recovery Facility (TRRF)

Objective	Provide relief and support recovery for SMEs in the services sectors affected by the reintroduction of containment measures since June 2020, except tourism and tourism-related subsectors.
Eligibility	<ul style="list-style-type: none"> • Must be SMEs per National SME Development Council's (NSDC) definition • Registered with the Companies Commission of Malaysia (SSM), authorities/district offices in Sabah and Sarawak or statutory bodies for professional service providers • Shareholding by Public Listed Companies and Government Linked Companies (if any) in the SMEs shall not exceed 20% • Malaysian residing in Malaysia that hold a minimum of 51% shareholding in the SMEs • Malaysian SMEs in services sector affected by introduction of COVID-19 containment measures since June 2020 (except for tourism and tourism-related subsectors), such as: <ol style="list-style-type: none"> i) Personal services (e.g. repair of computers / household goods, laundry, hairdressing, beauty) ii) Food and Beverage service activities iii) Human Health and Social Work activities iv) Arts, Entertainment and Recreation v) Wholesale and Retail Trade vi) Business services (e.g. Professional, Scientific and Technical Activities; Administrative and Support Service Activities) <p>Note: Recipients of the Special Relief Fund (SRF) and the PENJANA SME Financing (PSF) are eligible for the TRRF up to an aggregate limit of RM500,000 per SME</p>
Purpose of financing	<ul style="list-style-type: none"> • Working capital <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> • Purchase of shares • Refinancing of existing credit/ financing facilities • Purchase of land for non agrofood purposes • Property development • Investment by investment holding companies • Activities where the stock in trade is money (including credit, leasing, factoring and insurance businesses) • Gambling, alcohol, tobacco or other similar activities/ products • Non-Shariah compliant activities (applies to Islamic financing only)
Maximum Financing Rate	<ul style="list-style-type: none"> • Effective profit rate of 3.5% per annum, inclusive of guarantee fee, if any
Guarantee Cover	Guarantee coverage can be obtained from Credit Guarantee Corporation (CGC) or Syarikat Jaminan Pembiayaan Perniagaan (SJPP)
Maximum Financing Tenure	Up to 7 years from the date of the first drawdown (inclusive of 6 months moratorium on monthly installment)
Maximum Financing Limit	<ul style="list-style-type: none"> • SME: Up to RM500k (Min RM50k) • Micro Enterprise: Up to RM75k (Min RM10k) <p>Note: The above is applicable for associated companies for SMEs with common shareholder(s) i.e. with >20% shareholding</p>
Availability	Until 31 Dec 2021 or full utilization (whichever is earlier)

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, we will be entitled to recover such taxes from you.

High Tech Facility – National Investment Aspiration (HTF-NIA)

Objective	Support affected high tech and innovation-driven SME that are best aligned to strategic long-term development goals embedded in the National Investment Aspirations (NIAs). This is critical to strengthen Malaysia's competitive positioning in the global value chains, preserve the supply chain ecosystem and safeguard high-skilled jobs.
Eligibility	<ul style="list-style-type: none"> • Must be SMEs per National SME Development Council's (NSDC) definition • Registered with the Companies Commission of Malaysia (SSM), authorities/district offices in Sabah and Sarawak or statutory bodies for professional service providers • Shareholding by Public Listed Companies and Government Linked Companies (if any) in the SMEs shall not exceed 20% • Malaysian residing in Malaysia that hold a minimum of 51% shareholding in the SMEs • Within manufacturing and services subsectors with high National Investment Aspirations (NIAs)¹ scores: <ul style="list-style-type: none"> i) Electrical and Electronics (E&E) ii) Chemicals (including pharmaceuticals) iii) Optical Scientific Equipment and Medical Equipment iv) Machinery & Equipment (including Robotics, Drones, and Industry 4.0-related technologies) v) Transport equipment (Aerospace; motor vehicles and parts manufacturers involved in global supply chains or transitioning towards future mobility and green technology) vi) ICT vii) R&D services viii) Any other high-tech industries/ sub-sectors deemed eligible by BNM • Participants of existing innovation projects by Government for a range of critical technologies that are identified in national development plans such as industry 4.0 technologies, digital economy and green technology. • Special Relief Facility's (SRF), PENJANA SME Financing's (PSF) and/or PENJANA Tourism Financing (PTF) recipients are eligible for the HTF-NIA, for the purpose of financing capital expenditure only. <p>¹ The National Investment Aspirations (NIAs) refer to overarching strategic developmental objectives to increase economic complexity, create high-value jobs, extend domestic industry linkages and develop new and existing clusters.</p>
Purpose of financing	<ul style="list-style-type: none"> • Working capital or/and • Capital Expenditure <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> • Purchase of shares • Refinancing of existing credit/ financing facilities • Purchase of land for non agrofood purposes • Property development • Investment by investment holding companies • Activities where the stock in trade is money (including credit, leasing, factoring and insurance businesses) • Gambling, alcohol, tobacco or other similar activities/ products • Non-Shariah compliant activities (applies to Islamic financing only)
Maximum Financing Rate	<ul style="list-style-type: none"> • Up to 3.5% per annum, for financing without guarantee; or • Up to 5.0% per annum, inclusive guarantee fee
Guarantee Cover	Guarantee can be obtained from Credit Guarantee Corporation (CGC) or Syarikat Jaminan Pembiayaan Perniagaan (SJPP)
Maximum Financing Tenure	Up to 7 years
Maximum Financing Limit	<ul style="list-style-type: none"> • Up to RM1 mil for working capital; or • Up to RM5 mil for CAPEX or a combination of working capital and CAPEX
Availability	Until 31 Dec 2021 or full utilization (whichever is earlier)

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, we will be entitled to recover such taxes from you.

Disaster Relief Facility (DRF) 2021

Objective	To alleviate the financial burden of SMEs affected by floods and enable them to resume their business operations
Eligibility	<ul style="list-style-type: none"> • Micro Enterprises and SMEs affected by floods located in districts identified by <i>Agensi Pengurusan Bencana</i> Negara as flood disaster areas • Micro Enterprises and SMEs that meet the definition issued by SME Corporation Malaysia • Malaysians residing in Malaysia hold a minimum of 51% shareholding in the Micro Enterprises/ SMEs
Purpose of financing	<ul style="list-style-type: none"> • Repairs and/or replacement of assets for business use (e.g. plants and machinery) which have been damaged by natural disasters; and/or • Working capital <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> • Purchase of shares • Refinancing of existing credit/ financing facilities • Purchase of land for non agrofood purposes • Property development • Investment by investment holding companies • Activities where the stock in trade is money (including credit, leasing, factoring and insurance businesses) • Gambling, alcohol, tobacco or other similar activities/ products • Non-Shariah compliant activities (applies to Islamic financing only)
Maximum Financing Rate	<ul style="list-style-type: none"> • Up to 3.5% per annum (inclusive of guarantee fee)
Guarantee Cover	<ul style="list-style-type: none"> • 80% guarantee cover at 0.5% per annum guarantee fee • Guarantee can be obtained from Credit Guarantee Corporation (CGC)
Maximum Financing Tenure	Up to 5 years from the date of the first drawdown (inclusive of 6 months moratorium on monthly installment)
Maximum Financing Limit	<ul style="list-style-type: none"> • Up to RM500,000 per SME; • Up to RM75,000 per Micro Enterprise
Availability	Until 31 July 2021 or full utilization (whichever is earlier)

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, we will be entitled to recover such taxes from you.

Micro Enterprises Facility (MEF)

Objective	To increase access to collateral-free micro financing for micro enterprises at reasonable cost.
Eligibility	<ul style="list-style-type: none"> Malaysian Micro Enterprises that meet the definition issued by SME Corporation Malaysia Malaysians residing in Malaysia hold a minimum of 51% shareholding in the Micro Enterprise Malaysian micro entrepreneurs including self-employed individuals, gig workers on digital platforms¹ and participants of the iTEKAD² programme. <p>Note: The financing shall be offered under the Skim Pembiayaan Mikro, with no collateral.</p> <p>¹ Gig workers on digital platforms as defined by PENJANAGIG i.e. individuals involved in carrying out tasks or work through a service provider platform on digital applications to earn income.</p> <p>² Participants of the iTEKAD programme refer to eligible low-income micro entrepreneurs, including those affected by COVID-19, subject to terms and conditions outlined by respective participating banks.</p>
Purpose of financing	<ul style="list-style-type: none"> Working Capital; or/and Capital Expenditure <p>Financing shall not be used for the following activities:</p> <ul style="list-style-type: none"> Purchase of shares Refinancing of existing credit/ financing facilities Purchase of land for non agrofood purposes Property development Investment by investment holding companies Activities where the stock in trade is money (including credit, leasing, factoring and insurance businesses) Gambling, alcohol, tobacco or other similar activities/ products Non-Shariah compliant activities (applies to Islamic financing only)
Maximum Financing Rate	<ul style="list-style-type: none"> Financing rate charged shall be determined by the FI
Guarantee Cover	<ul style="list-style-type: none"> Guarantee can be obtained from Credit Guarantee Corporation (CGC) or Syarikat Jaminan Pembiayaan Perniagaan (SJPP)
Maximum Financing Tenure	Up to 5 years
Maximum Financing Limit	<ul style="list-style-type: none"> Up to RM50,000 per Micro Enterprise/ Gig Worker per FI
Availability	Until Full Utilization

Unless otherwise specified herein, our charges exclude any current taxes and future taxes that may be imposed (including the Goods and Services Tax ("GST")), under the relevant legislation. Upon the effective date of implementation of any such taxes in the future and wherever applicable, we will be entitled to recover such taxes from you.