Additional Requirements Under the Islamic Fixed Rate Financing Deferment Programme

Bank Negara Malaysia has issued a press release on 30 April 2020 requiring accountholders of Islamic financing with Selling Price contracted at fixed rate to provide consent to include their accounts for the 6-month moratorium. The Bank had on 22 July and 24 July 2020 sent SMS to inform on the moratorium deferment profit for your financing account which require you to respond to the Bank by 22 August 2020.

During the 6-month moratorium starting from April 2020, accountholder is not required to make any payment, and no late payment charges/compensation or penalties will be imposed (“Financing Deferment Programme”).

The Financing Deferment Programme is applicable to all individuals and small and medium enterprises (SMEs) with outstanding Islamic financing with Standard Chartered Saadiq Berhad (“Bank”) subject to meeting the following criteria:

- Account is not in arrears exceeding 90 days as at 1 April 2020;
- Account is denominated in Malaysian Ringgit; and
- Account is held under either of the following products:
  - Personal Financing-i under Tawarruq or Bai Inah
  - BizFinancing-i under Tawarruq
  - Guaranteed Instalment Financing-i under Tawarruq

As you did not respond to the SMS by 22 August 2020, we will send you a letter to confirm your consent for the Financing Deferment Programme. The Bank deems that you are agreeable to appoint the Bank as your agent for the sales and purchase transactions for your financing account based on the terms and condition stipulated herein and proceed with Financing Deferment Programme.

If you are not agreeable to appoint the Bank as your Agent for the sales and purchase transactions and do not wish to proceed with Financing Deferment Programme, you need to call our Client Care Executives at 1300 888 888 or +603 7711 8888 if you are calling from overseas to be excluded from the Financing Deferment Programme, and settle all the monthly instalments incurred during this Financing Deferment Programme period before we proceed with your request. You must call and make the payment before 30 September 2020.

Your Financing Details

To satisfy the requirement of Shariah and in accordance with the financing procedure of the Bank, a new Agency Appointment needs to be executed to accrue the deferment profit under the new Sale Price

1) For Accounts under the Contract of Tawarruq
It is deemed that you are appointing the Bank as an agent for the sale and purchase transactions based on the Agency Appointment – Term and Conditions listed herewith. We will conduct the Commodity Murabahah transactions after the Financing Deferment Programme ends and share the details post completion of the Commodity Murabahah transactions.

2) **For Accounts under the Contract of Bai Inah**

Your account will be converted to the contract of Tawarruq and it is deemed that you are appointing the Bank as an agent for the sale and purchase transactions based on the Agency Appointment – Term and Condition listed herewith. We will conduct your Commodity Murabahah after the Financing Deferment Programme ends and share the details post completion of the Commodity Murabahah transactions.

**Financing Details**

Facility Amount (new Purchase Price) : Based on your outstanding principal balance at the point of Commodity Murabahah transactions. The Commodity Murabahah transactions will be performed after the end of the Financing Deferment Programme.

Sale Price (Principal plus Profit) : Consisting of the following:

i) Facility Amount

ii) Unearned Profit of the financing at the point of Commodity Murabahah transactions;

iii) Profit in arrears, if any

iv) Unearned Profit during the Financing Deferment Programme.

The accrual profit amount during the Financing Deferment Programme was shared with you in the SMS.

Any difference in the amount of the Unearned Profit during the Financing Deferment Programme and amount communicated in the SMS will be considered as Rebate by the Bank.

Note: Unearned profit during the Financing Deferment Programme = Facility Amount x Financing Rate x (number of days under Financing Deferment Programme / 365 days)
Total Tenure : Remaining existing tenure under your Facility plus 6 months of the deferment period or up to the settlement of your Facility Amount.

Financing Deferment Period : 6 months

Instalment Amount during Financing Deferment Period : RM 0

Installment Amount (after Financing Deferment Period ends) : No change to the instalment amount

Commodity to be purchased : Plastic Resin

AGENCY APPOINTMENT – TERMS AND CONDITIONS

1. You appoint the Bank as your agent to perform the commodity transactions for and on your behalf, as follows: (i) as agent to purchase the Commodity (as part of the Bank’s bulk holding of the Commodity on behalf of the Bank’s customers) from the Bank at the new Sale Price as set out in Your Financing Details above; (ii) as agent to sell the Commodity (as part of the Bank’s bulk holding of the Commodity on behalf of the Bank’s customers) to a commodity broker at the new Purchase Price Your Financing Details above; And (iii) as agent to decide on the physical delivery of the Commodity.

2. The purchase and sale of Commodity by the Bank shall be on “as is where is basis”, without any representations or warranties from the Bank as to quality, condition, quantity and description, and without liability on the part of the Bank for any loss, damage or deterioration of the Commodity.

3. Upon the completion of the Commodity Murabahah transactions for the new aqad, the facility amount will be used to set off the existing principal amount and the rebate will be given to the unearned profit thereof.

4. You authorise the Bank to communicate with the commodity broker and to send and receive all notices, instructions, communication and/or correspondences in relation to the commodity transactions as set out above on your behalf using the Bank’s postal address, email address, telephone and/or fax numbers.

5. You shall at all times fully indemnify and keep the Bank indemnified against all and any action, proceeding, claim, expense, loss, damage or liability which the Bank may incur as a consequence of or arising from or connected to the appointment of the Bank as your agent.

6. You authorise the Bank to delegate its rights and duties under this letter to any third party to do all such acts as may be necessary for the completion of the commodity transactions as stated above.

7. Other terms and conditions of the above appointment will be in accordance to the terms of the Standard Terms and Conditions governing your existing Facility(s).
For more information and options available to support your financial needs, please call at Client Care Centre 1300 -888-888 or email Malaysia.Feedback@sc.com

We remain fully focused on supporting you in these unprecedented, challenging times. Thank you for banking with us.