

Requirement 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 expressed consent to include their accounts under the 6-month moratorium.

Upon providing consent, the accounts will be deferred for 6 months starting from April 2020. During this period, you do not need to make any payment, and no late payment compensation or penalties will be imposed ("Financing Deferment Programme").

The Financing Deferment Programme requires the expressed consent for the inclusion under the Financing Deferment Programme and 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 and subject to this Requirement Under the Islamic Fixed Rate Financing Deferment Programme:
 - i) Personal Financing-i under Tawarruq or Bai Inah
 - ii) BizFinancing-i under Tawarruq
 - iii) Guaranteed Instalment Financing-i under Tawarruq

You may choose to participate in the 6- month moratorium by either responding to the Short Messaging System ("SMS") sent by the Bank for your consent to participate in the Financing Deferment Programme or calling the Bank's Client Care Centre at 1300-888-888 or +603 7711 8888 if you are calling from overseas.

Alternatively, you may choose to be excluded from the Financing Deferment Programme but if you have already deferred your instalments during the moratorium period ("Instalment Deferment"), no late payment compensation or penalties will be imposed.

You may refer to the Covid-19 Relief Measures FAQs for Islamic Fixed Rate Financing on the website for details of the arrangement.

If You Choose to Participate

Your account will be under the Financing Deferment Programme and instalment payment will resume after the programme ends. Profit will continue to accrue during the Financing Deferment Programme, and you will need to honour the profit for the deferred payments by continuing your monthly instalment upon the completion of the Financing Deferment Programme.

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

If you choose to participate under the Financing Deferment Programme, 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 before or after the deferment programme ends and share the details post completion of the Commodity Murabahah transactions.



For Accounts under the Contract of Bai Inah

If you choose to participate under the Financing Deferment Programme, 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 before or after the deferment programme ends and share the details post completion of the Commodity Murabahah transactions.

Financing Details for Participating Accounts

- 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 before or 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 will be shared with you in the SMS which require your reply as a consent to be included in the Financing Deferment Programme

Any different in the amount of the Unearned Profit during the Financing Deferment Programme and amount communicated in the SMS will be consider 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 : No change to the instalment amount.
Deferment Period ends)

Commodity to be purchased : Plastic Resin

If You Choose to Be Excluded

If you choose to be excluded from the Financing Deferment Programme and you have deferred your instalments during the moratorium period ("Instalment Deferment"), you need to continue paying your monthly starting from your next instalment due date following the exclusion of your account. Your account will be extended based on the duration of your Instalment Deferment only, no other changes to your existing financing terms. No Commodity Murabahah transactions will be performed for the excluded financing accounts.

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 our Client Care Centre at 1300 -888-888, +603 7711 8888 if you are calling from overseas or email Malaysia.Feedback@sc.com

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

