



Bank Negara Malaysia (BNM) Fund for SMEs - Targeted Relief and Recovery Facility (TRRF)

General Frequently Asked Questions (FAQ)

| No | Question | Answer |
|----|---|--|
| 1. | What is Targeted Relief and Recovery Facility (TRRF)? | TRRF is a financing facility established by BNM to provide relief and support recovery for SMEs in the services sector affected by reintroduction of containment measures since June 2020, except for tourism and tourism-related subsectors. |
| 2. | Who is eligible to apply for TRRF? | <ul style="list-style-type: none"> Malaysian SMEs¹ in services sector affected by reintroduction of COVID-19 containment measures since June 2020 (except for tourism and tourism-related subsectors), such as: <ol style="list-style-type: none"> Personal services (e.g. repair of computers / household goods, laundry, hairdressing, beauty) Food and beverage service activities Human health and social work activities Arts, entertainment and recreation Wholesale and retail trade Business services (e.g. professional, scientific and technical activities; administrative and support service activities) <p>Recipients of Special Relief Facility (SRF), PENJANA SME Financing (PSF) will be eligible for TRRF, subject to total financing limit of RM500,000 per SME. Recipients of PENJANA Tourism Financing (PTF) shall not be eligible for the TRRF.</p> |
| 3. | What is the maximum financing amount and tenure for SMEs under the TRRF? | <ul style="list-style-type: none"> Eligible SMEs will be able to obtain financing up to RM500,000. Financing tenure of up to 7 years, with at least 6 months moratorium on monthly instalments |
| 4. | What are the types of facilities being offered? | Term Loan only |
| 5. | What is the financing rate? | Financing rate is up to 3.50% per annum |
| 6. | Will there be any guarantee fees? | No, the bank will bear the guarantee fees. |
| 7. | When will the Facility be made available? | Application for financing the TRRF will be open from 1 December 2020 until 31 December 2021 or full utilisation, whichever is earlier. |
| 8. | How can SMEs know that they are eligible to apply for financing under the TRRF? | <ul style="list-style-type: none"> Eligible SMEs are advised to contact the PFIs to ascertain their eligibility under the TRRF. All applications for financing will be subject to assessments by the PFIs. Recipients of Special Relief Facility (SRF), PENJANA SME Financing (PSF) will be eligible for TRRF, subject to total financing limit of RM500,000 per SME. Recipients of PENJANA Tourism Financing (PTF) shall not be eligible for the TRRF. |

¹At least 51% shares held by Malaysians and as defined by SME Corp (as per Guidelines on National SME Definition issued by SME Corp accessible at https://www.smecorp.gov.my/images/pdf/2020/Guideline-SMEDefinition_updated.pdf)



| No | Question | Answer |
|-----|---|--|
| 9. | Is TRRF open to existing customers of the PFIs only? | No, TRRF is open to both new and existing SME customers of the PFIs as long as they are Malaysian SMEs that fulfil the eligibility criteria set out by BNM and meet the FIs' credit assessments. |
| 10. | Can SMEs obtain the TRRF to repair or renovate existing business premises? | No. The TRRF is solely for working capital purposes only. TRRF s only applicable for working capital financing purposes, and cannot be used for the following: <ul style="list-style-type: none"> • Purchase of shares • Refinancing of existing credit / financing facilities • Purchase of land / real estate investment • Property development • Investments by investment holding companies • Activities where the stock trade is money (including credit, leasing, factoring and insurance businesses • Gambling, alcohol, tobacco or other similar activities / products • Non-Shariah complaint activities (applies to Islamic Financing only) |
| 11. | Can SMEs obtain the TRRF to re-finance existing loans? | No. The TRRF must not be used for re-financing of existing credit/financing facilities. |
| 12. | Do SMEs need to provide collateral to obtain financing under the TRRF? | No. Collateral is NOT required under the TRRF. |
| 13. | If my business is not eligible for the TRRF, what other support is available to me? | <ul style="list-style-type: none"> • SMEs who are facing difficulty with loan/financing repayment are advised to engage their respective financial institutions for rescheduling and restructuring (R&R) of their existing loans/financing facilities, to help alleviate their cash flow problems. • SMEs that are not eligible for the TRRF may apply for financing from other facilities under BNM's fund for SMEs (e.g. All Economic Sector Facility, Agrofood Facility, Micro Enterprise Facility, PENJANA Tourism Financing or SME Automation and Digitalisation Facility), or other financing products for SMEs offered by the financial institutions. SMEs can also apply via the imSME² platform. • Approval for financing under the above schemes are subject to the specific scheme's eligibility criteria and assessment by the PFIs. • Additionally, they could obtain financing advisory services through MyKNP (Khidmat Nasihat Pembiayaan) that provides advisory assistance and tips to improve eligibility for future financing and alternative sources of finance (www.myknp.com.my). |

² Online SME financing/loan referral platform managed by Credit Guarantee Corporation Malaysia Berhad (CGC). Accessible at <https://imsme.com.my/portal/en/>



| No | Question | Answer |
|-----|---|--|
| 14. | What can an SME do if its application for financing under any of the facilities is rejected by the PFI? | <p>If an application is rejected, the SME is advised to do the following:</p> <ul style="list-style-type: none"> a) Obtain clarification from the PFI on the reason(s) of rejection; b) Consider re-submitting the application via the ImSME platform, if the SME has not done so earlier; c) Obtain financing advisory services through MyKNP (Khidmat Nasihat Pembiayaan) that provides advisory assistance and tips to improve eligibility for future financing and alternative sources of finance (www.myknp.com.my); or d) Channel enquiries or complaint to BNM via BNMTELELINK: <u>Customer Contact Centre (BNMTELELINK)</u> Bank Negara Malaysia P.O. Box 10922 50929 Kuala Lumpur Tel : 1-300-88-5465 (1-300-88-LINK) (Overseas: +603-2174-1717) Fax: +603-2174-1515 Web form : eLINK (https://telelink.bnm.gov.my/) SMS : 15888 |
| 15. | How do I apply for the BNM TRRF? | <p>Step 1: Visit https://www.sc.com/my/business-banking-sme/reachus/?pid=trrf</p> <p>Step 2: Complete the Enquiry Form</p> <p>Our Relationship Manager will contact you within 2 business days.</p> |

Updated as at 18 March 2021