

Terms & Conditions SME Digitalisation Initiative

Incentives from the Ministry of Finance Malaysia

1. The Small and Medium Enterprise (SME) Digitalisation Initiative ("the Initiative") is offered to small and medium enterprises under the 2020 Budget to obtain digitalisation services from service providers registered with the Malaysia Digital Economy Corporation (MDEC) ("Service Providers") to guide and provide digitalisation services to SMEs.
2. The amount allocated by the Ministry of Finance of Malaysia through BSN as the payer Bank for each eligible SME to carry out the digitalisation process and other services listed in this Initiative, is 50% of the total amount invoiced by the Service Provider or up to RM5,000.00 (Ringgit Malaysia: Five Thousand Only), whichever is lower.
3. Digital areas for this initiative is limited to the five (5) areas as stated below:-
 - i. Electronic Point of Sale System (e-POS)
The use of software such as Point-Of-Sale designed to help SMEs run businesses more effectively.
 - ii. Human Resource Payroll System / Customer Relationship Management (CRM)
A system that simplifies and manages a company's payroll process and procedures and any matters relating to human resources.
 - iii. Digital Marketing / Sales
Digital marketing services that offer marketing of products or services on the internet, via applications, display advertising and any other digital mediums.
 - iv. Procurement
Service that offers business-to-business, business-to-consumer or business-to-government purchase and sale of supplies, work and services through the internet as well as other information and networking systems.
 - v. Enterprise Resource Planning ("ERP")/Accounting & Taxation
Database service that supports processes and operations including manufacturing, marketing, financial and human resources.
4. **SME Digitalisation Initiative eligibility requirements**
 - i. SME must possess the following criteria;
 - a) The SME is at least 60% owned by Malaysian individually.;
 - b) The SME is registered under the relevant laws of Malaysia and classified as SME;
 - c) For SMEs which has been in operation for one (1) year, the SME is required to have an annual sales turnover of RM 100,000.00 for the first year; and
 - d) For SMEs which have been in operation for two (2) years or more, the SME is required to have a minimum sale turnover of RM 50,000.00 for the preceding two (2) consecutive years.

5. **The Mechanism of the Initiative**

- i. The SME must contact and appoint one or more panel of Service Providers to perform any of the digitalization services available (maximum of 3 panels).
- ii. The SME must complete and submit the application form together with the required supporting documents to any of the Bank's branches. The required supporting documents are as follows: -
 - a) Copy of Identity Card or Passport of Director (s) / Partner (s) / Proprietor(s), whichever is applicable.
 - b) Copy of business registration licenses (CCM, Form A/B, Form 24 & 49 and M&A or any similar forms under the Companies Act 2016).
 - c) Audited financial statement for the last financial year and the latest management account. (if any) or evidences of sales turnover (if any).
 - d) Company's bank statement for the last two (2) months.
 - e) Company's profile (if any).
 - f) Invoice/billing and service agreement from authorized vendor listed by MDEC.
 - g) Any other information and documents as and when required by the bank.
- iii. The SME is responsible to pay the difference of the total invoice after deducting the subsidized amount granted from the Initiative for each digitalisation service to the Service Provider and submit the proof of payment to the Bank. For the avoidance of doubt, SME is required to pay the difference amount to the Service Provider prior to the application of the Initiative.
- iv. If any of the information provided in clause 5(ii) is found to be inaccurate and / or false, the Bank reserves the right to request additional documents from the SME and /or reject the application of the SME.
- v. Once the SME's application is approved, subject to the total invoice amount, the Bank will make a direct 50% payment of the total invoice amount or up to RM5,000.00 to the Service Provider in one lump sum payment or in stages based on the Bank's discretion.
- vi. The allocation of RM 5,000.00 (Ringgit Malaysia: Five Thousand) is subject to any directives issued by the Ministry of Finance from time to time.
- vii. The SME is to ensure that training modules and other digitalisation services that have been agreed by the Service Provider are properly implemented.
- viii. The SME must submit the Proof of Activation if requested by the Bank at any time.
- ix. The SME is to ensure that the process of implementing the digitalisation services funded by this program is limited to the services as mentioned in Clause 3 above.
- x. In participating in this Initiative, the importance of safeguarding the good name of the SMEs, the Bank and the Ministry of Finance should be emphasized. SMEs are strictly prohibited from engaging in illegal business activities that could tarnish the image of SMEs, the Bank and the Ministry of Finance.

- xi. If the SME fails to comply with Clause 5 above, the Bank will take the necessary and appropriate action against the SME and the name of the SME will be blacklisted from any digitalisation initiative organized by the Bank or any other government agency.

6. **General Terms & Conditions**

- i. By participating in this Initiative, the SME agrees to be bound by the Terms and Conditions herein and any other terms and conditions set herein from time to time.
- ii. The SME agrees and permits the company's and/or personal details and information including but not limited to personal data or information collected, processed and used by the Bank for the purposes of this Initiative and other purposes related to the Bank's services or notification.
- iii. The Bank shall not be responsible and/or liable for any loss, (including but not limited to loss of income, profits, reputation goodwill, direct or indirect, incidental, consequential, exemplary, punitive or special damages of any party including third parties) howsoever arising whether in contract, negligence or otherwise, in relation with the Initiative.
- iv. The Bank shall not be responsible and/or liable nor shall it accept any form of liability in whatsoever nature and howsoever arising or suffered by the qualified SMEs resulting directly or indirectly from participation in this Initiative or otherwise. The Bank shall not be liable for any default of its obligation under this Initiative due to force majeure which include but not limited to natural disasters, wars, riots, blockages, industrial actions, fires, floods, droughts, storms or any outside events reasonable control of the Bank.
- v. The Bank reserves its right at its absolute discretion to amend, vary, delete or add to any of these Terms and Conditions, in whole or in part at any time, subject to any changes in Government policy by giving early notification of at least twenty-one (21) calendar days prior to such amendments, changes, cancellations or additions by means of any communication method the Bank deems appropriate.
- vi. The Eligible SME is to access the Bank's website at www.mybsn.com.my on a regular basis to ensure that the Eligible SME is kept up to date with any changes or amendments made to the Terms and Conditions.
- vii. Any amendments, changes, cancellations or additions to these Terms and Conditions shall be binding on the eligible SME and shall be deemed to have been brought to the attention and knowledge of all eligible SMEs through the Bank's display or by notice posted by the Bank or advertising on the Bank's social media sites or any other way the Bank deems fit.
- viii. In the event of any discrepancies between the Terms and Conditions of this Initiative and the advertising, promotion, publicity and other materials relating to or in connection with this Initiative, these Terms and Conditions shall prevail. Any matter regarding the Initiative not expressly set out in these Terms and Conditions will be determined at the sole discretion of the Bank.

7. **Personal Data**

Eligible SME members have the right at any time to:

- a) Withdraw the permission given to use Personal Data;
- b) Request any amendments/updates be made to the Personal Data; and
- c) Inquire about the use of Personal Data by contacting the Bank