



MRC COMMERCIALIZATION FUND (MCF) GUIDELINES

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1. INTRODUCTION

Research, Development, Commercialization & Innovation (R&D&C&I) play an important role in the development of science and technology in the economy that is based on knowledge and innovation, inclusive of the rubber industry. Development of technology and the invention of new products and services are important to generate wealth and societal well-being, as well as to improve the country's rubber-related R&D competitive advantages.

MRC Commercialization Fund or "MCF" is introduced by the Malaysian Rubber Council ("MRC" or "the Council") to spur new and sustainable value creation for the rubber industry which is driven by a number of high-value products commercialized as outlined by the *Dasar Agrikomoditi Negara (DAKN) 2021 – 2030*.

MCF is offered as a partial grant to the rubber product export cess contributors, and as a zero-interest payback scheme to any other interested non-contributing companies, subject to its terms and conditions.

2. OBJECTIVES

2.1 MCF is offered:

2.1.1 To bring rubber-related R&D outputs to the marketplace for commercialization; and

2.1.2 To enhance existing rubber products for re-commercialization with better properties, functions, and prices.

2.2 This fund is offered to Micro, Small, and Medium Enterprises (MSMEs), start-ups/ spin-offs, and large companies in the form of "**seed money**" to kick-start commercialization projects. The partial grant/ fund is offered based on a ratio of up to **50:50** for large companies, and up to **70:30** for other fundable categories of companies, where MCF will fund up to **50%** or **70%** of the **total approved amount of the project**.

3. CATEGORIES OF APPLICANT

3.1 The MCF is open to:

3.1.1 Micro, Small, and Medium Enterprises (MSMEs);

3.1.2 Start-Ups/ Spin-Offs; and

3.1.3 Large Companies.

4. ELIGIBILITY CRITERIA

4.1 As mentioned above, MCF is offered as a **partial grant** to the rubber product export cess contributors only, but if there's any other interested company that did not fulfill this requirement and is still interested to apply, they are subjected to an agreement to return the investment from MRC to MCF's pool of funds once the product is commercialized, to sustain the fund for future applicants (Refer to **Appendix 1** on the covered rubber product cess code category). In other words, the financial facilitation shall be subjected to a **zero-interest payback scheme**. **Table 1** below summarizes the category of applicants for the fund:

Table 1: Category of application for MCF

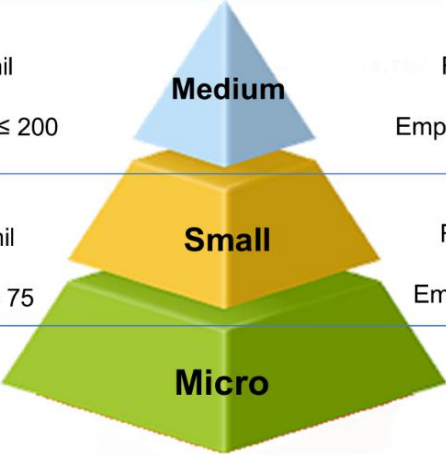
CATEGORY	MCF GRANT	MCF PAYBACK
Company contributing to rubber product cess, commercializing cessable rubber products (including for IP(s) from MRC and MRB)	√	
Company contributing to rubber product cess, commercializing non-cessable rubber products (including for IP(s) from MRC and MRB)	√	
Non-contributing company to rubber product cess, commercializing cessable rubber products (including for IP(s) from MRC and MRB)		√
Non-contributing company to rubber product cess, commercializing non-cessable rubber products (including for IP(s) from MRC and MRB)		√

4.2 On top of the main criteria mentioned in 4.1, MSMEs and start-ups/ spin-offs/ large companies shall comply with the conditions below to apply for the MCF:

4.2.1 Companies and businesses registered with the Companies Commission of Malaysia (SSM) whereas businesses in Sabah and Sarawak are required to register with the respective authorities.

4.2.2 Follow the definition of MSMEs as stated in **Table 2**;

Table 2: Definition of MSMEs according to the size of operation

Manufacturing		Services and Other Sectors
Sales turnover: RM15 mil ≤ RM50 mil <u>OR</u> Employees: From 75 to ≤ 200		Sales turnover: RM3 mil ≤ RM20 mil <u>OR</u> Employees: From 30 to ≤ 75
Sales turnover: RM300,000 < RM15 mil <u>OR</u> Employees: From 5 to < 75		Sales turnover: RM300,000 < RM3 mil <u>OR</u> Employees: From 5 to < 30
Sales turnover: < RM300,000 <u>OR</u> Employees: < 5		Sales turnover : < RM300,000 <u>OR</u> Employees: < 5

Source: SME Corporation Malaysia

4.2.3 As described by the SME Corp, MSMEs defined above, excludes;

- 4.3.3.1 Entities that are public-listed on the main board; and
- 4.3.3.2 Subsidiaries of:
 - 4.3.3.2.1 Publicly-listed companies on the main board;
 - 4.3.3.2.2 Multinational corporations (MNCs);
 - 4.3.3.2.3 Government-linked companies (GLCs);
 - 4.3.3.2.4 *Syarikat Menteri Kewangan Diperbadankan* (MKDs); and
 - 4.3.3.2.5 State-owned enterprises.

4.2.4 For a Start-up, the company follows the definition of a start-up; A technology or innovation-enabled company/ business at an early stage with a scalable business model and a high-growth strategy.

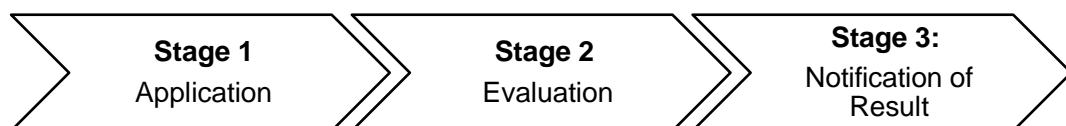
- 4.2.5** The eligibility criteria for a start-up are as follows:
- 4.2.4.1** Registered with the Companies Commission of Malaysia (SSM);
 - 4.2.4.2** Majority ownership by Malaysian citizens (>50%);
 - 4.2.4.3** Paid-up capital of at least RM10,000.00;
 - 4.2.4.4** Has at least two (2) company directors; and
 - 4.2.4.5** Company in operation not exceeding 5 years.
- 4.2.6** If a Spin-off, the company fulfills the definition of a spin-off as follows; A technology or innovation-enabled business at an early stage with a scalable business model and a high-growth strategy spin-out from University or Research Institute (RI) in Malaysia.
- 4.2.7** The eligibility criteria for a spin-off are as follows:
- 4.2.7.1** Registered with the Companies Commission of Malaysia (SSM);
 - 4.2.7.2** Majority ownership by Malaysian citizens (>50%);
 - 4.2.7.3** University/ RI/ technology owner holds equity in the spin-off setup;
 - 4.2.7.4** Paid-up capital of at least RM10,000.00; and
 - 4.2.7.5** Has at least two (2) company directors.
- 4.2.8** For a large company, the company shall fulfill its definition as a company registered in Malaysia having a sales turnover of more than RM50 million or a number of employees exceeding 200.
- 4.2.9** In any of the categories mentioned above, **ONLY** a type of company registered as follows will be funded;
- 4.2.8.1** Limited Liability Partnership (LLP)
 - 4.2.8.2** Sendirian Berhad (Sdn. Bhd.)
 - 4.2.8.3** Berhad (Bhd.)
- 4.2.9** Companies applying from the category of Sole Proprietorship or Partnership can still apply for MCF, **BUT** are subject to establishing a type of company mentioned above to run the project, if the application is approved.
- 4.3** The proposed product to be commercialized **MUST** be protected by Intellectual Property (IP) rights.
- 4.4** Proposed commercialization projects/ R&Ds/ IPs **MUST** be rubber-related with a significant impact on Malaysia's rubber industry. It can be developed in-house or from any Uni/RIs in Malaysia.
- 4.5** The readiness of the project/ product shall be at the minimum of Technology Readiness Level (TRL) and Business Readiness Level (BRL) **6**. The definition of the category can be referred to further in **Appendix 2**. Projects/products with lower readiness than this are still encouraged to apply but shall be subject to the approval of the MRC CC, for approval.

- 4.6** The company has to be able to show proof of the availability of the matching fund in the bank account, upon approval of the application, and before the first fund transfer from MRC.
- 4.7** Subject to approval at the Committee Level, the matching requirement may or may not be loosened when there is a request by an applicant. The applicant, however, shall be able to provide strong justification for the request and provide proof that the product they are trying to commercialize is worth the consideration (e.g. had secured purchase order, letter of interest, etc.)
- 4.8** The company shall not be receiving any other grant/ fund from other Government entities/ agencies for the same items/ activities applied under MCF. Joint matching between other agencies with MRC, however, could be considered, subject to further evaluation at the Committee Level.
- 4.9** None of the company directors or project team members have been convicted of any fraudulent activities nor has the company been declared bankrupt, under liquidation, or placed under receivership.

5. APPLICATION & APPROVAL PROCESS

- 5.1** Methods of applying for MCF are shown in **Figure 2**:

Figure 2: General stages of the application & approval process



5.2 Stage 1: Application

- 5.2.1** Any company interested in applying for MCF shall engage the Secretariat (Commercialization & Investment (C&I) Unit of MRC) and indicate the intention or get further information on how to start the application process from MRC's website – MCF webpage.
- 5.2.2** The Secretariat shall provide the company with **MCF Guidelines** and conduct a pre-assessment by requesting the company to fill in and submit the **MCF Pre-Assessment Form**, before proceeding to the next stage. The guidelines and pre-assessment form can also be downloaded from MRC's website directly – the MCF webpage.
- 5.2.3** Shall the company fulfill the general compulsory requirements of the MCF and agree to proceed, the company shall be invited to

submit a full application and be provided with;

- i. *Application form*
- ii. *Pitching deck template*
- iii. *Gantt chart template*
- iv. *Financial projection template*
- v. *Declaration form – for company*
- vi. *Declaration form – for individuals*
- vii. *Integrity Pledge form*

However, if the company did not fulfill the general compulsory requirements of the MCF, a letter to the company shall be issued to explain and dismiss the inquiry.

5.2.4 For the application to be processed, the company shall submit in complete below documents;

- i. *Duly signed Project Application Form & Other Supplied Documents*
- ii. *Certified true copy of M&A, F9, F13, F24, F32A, F44, and F49 and/or equivalent under Companies Act 2016 for Private/ Public Limited Company; OR Certificate of Registration under Registration of Business Act 1995 for Sole Proprietorship Company; OR Certificate of Registration & Corporate Profile obtained from SSM under LLP Act 2012 for Limited Liability Partnership (LLP) Company*
- iii. *Certified true copy of the Company's latest audited account/management accounts for the last three (3) years*
- iv. *CVs of all project personnel referred to in the Application Form*
- v. *Relevant document of the IP- IP filing/ licensing/ outright sales agreement, etc.*
- vi. *Other attachments (i.e. Gantt Chart, Detailed Financial Projection, Assumptions, Declaration Forms, supporting documents such as Purchase Order, Letter of Intent, etc.)*

Further details of the supporting documents that need to be submitted can be referred to in **Appendix 3**.

5.2.5 Interested applicants shall be facilitated/ guided by the Secretariat in filling up the application form and preparing the pitching deck to ensure that all applicants are able to showcase their best case for consideration in securing the grant/ fund.

5.3 Stage 2: Evaluation

5.3.1 Upon receiving a complete application submission which is listed in 5.2.4, the company shall be called to pitch to the Secretariat

on the project, and for a Question and Answer (Q&A) session.

- 5.3.2** Subject to the level of technicality of the project, the Secretariat may or may not, from time to time, invite a third party to jointly evaluate the project during the pitching session to obtain a clearer picture of the potential of the project to be funded.
- 5.3.3** The pitching session shall be conducted in within one (1) month after receiving a complete submission.
- 5.3.4 Due Diligence** - Thorough due diligence on the application shall be conducted by the Secretariat which shall include (but not be limited to) a background check on the company and the individuals involved, the technology proposed, market potential, technical & financial capabilities, and business models & strategies.
- 5.3.5** The process of evaluation shall take not more than 60 days after receipt of the documentation from the applicants. Some brief evaluation criteria of the MCF are as per **Table 3**.

Table 3: MCF Evaluation Criteria

Fund	Evaluation Criteria			
	Technical	Commercial	Impact (Social/ Economic/ Environmental)	Finance and Project Management
MCF (TRL & BRL: 6 - 9)	<ol style="list-style-type: none"> Level of technical readiness – Must have a working and commercial-ready prototype Uniqueness/ Innovativeness / Inventiveness/ Disruptive/ Game changer Output expected: <ul style="list-style-type: none"> Viability of project objectives Appropriateness of methodology. Scalable potential/ Manufacturability (manpower, materials, method, machinery). Regulatory and standard compliance. 	<ol style="list-style-type: none"> Competitive advantages Market demand and potential (need, size, growth, target, niche, penetration) Appropriateness of time to market Sustainability Diffusion (technology proposed suits current tech landscape) Cost-effectiveness Marketing strategy/ Business model (network & planning) Standard and certification compliance (if applicable) 	<p>Social Impact</p> <ol style="list-style-type: none"> Affordability Creation of skilled and knowledgeable workers Problem-solving (consumer needs, industry needs, & *strategic needs of the nation) *e.g.: national security, health, national policy Improvement of living standards <p>Economic Impact</p> <ol style="list-style-type: none"> Ready for market Cost reduction Export potential Increased productivity and quality of product/ services <p>Environmental Impact</p> <ol style="list-style-type: none"> Environmental impact Optimum consumption of resources 	<p>Finance</p> <ol style="list-style-type: none"> Potential to generate a return on investment Financial sustainability <p>Project Management</p> <ol style="list-style-type: none"> Professional qualification/ Experience of project leader & team members Risk management

- 5.3.6 Case Presentation** - Upon completing the due diligence process, the Secretariat shall be presenting a summary of their findings to the CC members in a CC meeting and recommend approving or rejecting the application. The CC members shall give the final decision on whether to approve or reject the application after further deliberation among members. The company shall be informed of the session, and invited to be on “*standby mode*”. They may or may not be called to explain or justify their application during the deliberation session.

Subject to a request by the CC members, external technical

expert(s) may or may not be invited to provide inputs during the Case Presentation session.

5.3.7 **Stage 2: Notification of Result**

5.3.7.1 The Secretariat shall provide the company with an ***MCF Offer OR Rejection Letter*** for their application within two (2) weeks after the decision was made by the CC.

5.3.8 The process flow of the application and approval process of MCF can be referred to in **Appendix 4**.

6. PREPARATION OF AGREEMENT AND DISBURSEMENT PROCESSES

6.1 Agreement Signing

6.1.1 Upon decision made on the grant/ fund award, the company shall be provided with **(1) the agreement's schedules template**, and **(2) the MCF agreement template**, for the company to fill in, deliberate, and finalize further with the Secretariat.

6.1.2 Only the officer authorized by the company or fund recipients' company shall have the right to sign the MCF Agreement. MRC shall be represented by the CEO/ DCEO in the said agreement.

6.1.3 The signed agreement between the company and MRC shall be stamped and the cost to be borne by the company.

6.1.4 The stamped agreement shall be submitted to MRC within 30 days of the date of the Letter of Offer together with;

6.1.4.1 *Letter of Acceptance of the offer,*

6.1.4.2 *Copy of bank details,*

6.1.4.3 *Copy of e-vendor registration with details of the designated bank,*

6.1.4.4 *Details of milestones and the allocation approved, and*

6.1.4.5 *Proof of the availability of the matching fund in the bank account, OR minute of approval from the CC meeting for any special approval*

6.1.5 MRC reserves the right to revoke the approval if the applicants fail to submit the agreement and its supporting documents within the stipulated timeline.

6.2 First Disbursement

6.2.1 The first disbursement of the fund (maximum 20%) from the approved MCF matching fund can be disbursed on an **UPFRONT** basis once the requirements in 6.1.4 have been fulfilled.

6.2.2 To disburse the fund, the company shall also be required to fill in and submit a signed copy of;

6.2.2.1 *Checklist for Payment Request Submission Form (Schedule 5 in MCF agreement's schedule template), and*

6.2.2.2 *Payment Request Form (Schedule 6 in MCF agreement's schedule template).*

6.2.3 The payment shall be processed and disbursed no later than one (1) month from the receipt of all documents stated above.

6.3 Subsequent Disbursement

6.3.1 Subsequent disbursement of MCF shall be based on the schedule of payment in the MCF Agreement, which is based on milestones achieved and project expenditure performance. The payment for subsequent disbursement shall be on a **REIMBURSEMENT** basis.

6.3.2 The request for disbursement can be made by the company by submitting a signed copy of;

6.3.2.1 *Checklist for Payment Request Submission Form (Schedule 5 in MCF agreement's schedule template),*

6.3.2.2 *Payment Request Form (Schedule 6 in MCF agreement's schedule template), and*

6.3.2.3 *Progress Report Summary Form & Catalogue of Supporting Documents (Schedule 7 in MCF agreement's schedule template).*

6.4 Project Closure & Final Disbursement

6.4.1 A minimum of 15% of the total MCF amount will be withheld and can only be paid out in the final tranche, after the completion of the project.

6.4.2 The final progress report/ closure report shall be submitted by the company to MRC within **three (3) months** of the end date of the project. The closure report submitted by the company shall include, but is not limited to the information of;

6.4.2.1 *Deliverables and final project outputs*

6.4.2.2 *Achievement of project objectives*

6.4.2.3 *Project benefits*

6.4.2.4 *Sales generated*

6.4.2.5 *New collaboration secured (MOU, MOA, JV, new investment etc.)*

6.4.2.6 *Impact of the project on the nation*

6.4.2.7 *List of equipment/ facilities purchased*

6.4.2 A project completion letter will be issued once the final report is received and verified by the Secretariat. Final disbursement will only take place upon the issuance of the project completion letter.

- 6.4.3** For the final disbursement of MCF, the company shall be submitting;
- 6.4.3.1** *Checklist for Payment Request Submission Form (Schedule 5 in MCF agreement's schedule template),*
 - 6.4.3.2** *Payment Request Form (Schedule 6 in MCF agreement's schedule template), and*
 - 6.4.3.3** *A copy of the Project Completion Letter.*
- 6.4.4** The process flow of the agreement preparation and disbursement process of MCF can be referred to in **Appendix 5**.

7. QUANTUM AND DURATION OF FUNDING

- 7.1** MRC will fund the project based on **Table 4**.

Table 4: Quantum and Duration of Funding

CATEGORY	FUNDING QUANTUM (RM)	FUNDING METHOD	DURATION (MONTHS)
MSMEs, Start-Ups/ Spin-Offs, Large Companies	Maximum of RM500,000	Funding of the project allocation is based on merit as stipulated by MRC; up to 50% for Large Companies and 70% for other fundable types of companies of the overall project cost approved.	12 + 12

- 7.2** All funds offered under the MCF payback scheme shall be returned in full to the MCF pool of funds no later than **THREE (3) years** after project completion. Arrangements for repayment shall be detailed out further in the agreement between MRC and the company.

8. SCOPE OF FUNDING

- 8.1** The scope of funding for MCF is as follows:
- 8.1.1** Design (product and visual communication);
 - 8.1.2** Accreditation/ certification/ standards compliance/ technology audit (except for construction of factory or manufacturing plant, original equipment manufacturer (OEM));
 - 8.1.3** Incubation including value-added service facilities (advisory service and technical consultation);
 - 8.1.4** Human capital development related to the project (training related to good manufacturing practice (GMP), halal, hazard analysis, and critical control points (HACCP));

- 8.1.5 Study of product market validation and modification of market-ready products;
 - 8.1.6 Purchase of equipment or supporting facilities that are related to the project;
 - 8.1.7 Intellectual Property (IP) (registration/ procurement/ partnership, incentive and renewal) and licensing;
 - 8.1.8 Marketing & Business Development;
 - 8.1.9 Up-scaling technology;
 - 8.1.10 Advanced packaging;
 - 8.1.11 Transportation costs for product development;
 - 8.1.11.1 Including expenses and transportation for domestic travel only directly related to the project.
 - 8.1.11.2 Travel is limited to an economy class using the shortest direct route by airline service providers, except in pressing circumstances.
 - 8.1.12 Consultation fee for a technical expert from Licensor.
- 8.2 Items that are **not** funded are as follows:
- 8.2.1 Expenses outside of the scope of funding stated above;
 - 8.2.2 Purchase of office assets or rental of assets (building, vehicle, and furniture);
 - 8.2.3 Utility expenses;
 - 8.2.4 Travel claim costs;
 - 8.2.5 Emolument of workers; and
 - 8.2.6 Charge or loan for any purposes whatsoever.
- 8.3 Procedure for purchase of equipment and services:
- 8.3.1 The fund recipients shall **submit the quotation** or proof of any purchase or procurement of services such as consultation services;
 - 8.3.2 Purchase of equipment or procurement of services in amounts **exceeding RM100,000.00 must be accompanied by 3 or more quotations** with proof. Breaking down the purchase of equipment or procurement of services is not permitted;
 - 8.3.3 All monetary transactions must be in order. All documentation for

the expenditures with expense documents, including invoices, purchase orders, delivery orders, and receipts must be attached;

- 8.3.4 Purchase of equipment or procurement of services from any **company/ institution, subsidiary, or associate companies** is not permitted;
 - 8.3.5 The purchase order/ quotation submitted must be based on the current market price. **Mark-up from the original price is not permitted.** The Secretariat shall/ will do a market check, as and when needed;
 - 8.3.6 The fund recipients **shall not have any conflict of interest** with collaborators and suppliers of research materials, equipment, and services for the project; and
 - 8.3.7 Subject to decision by the Committee, the decision whether to transfer full rights of the equipment immediately upon purchase, or only after the project is complete will be done at the approval level of the project. This is to ensure that all risk has been taken into consideration on case to case basis, and the fund recipient will uphold full responsibility to complete the project as agreed.
 - 8.3.8 Pertinent issues not included in the first application must be brought before the committee at MRC for consideration and approval.
- 8.4 The project can only be carried out once the project agreement is executed by both parties and duly stamped. Expenditure made before the agreement is duly stamped may not be claimed and will not be deemed to be part of the project cost, unless there were special approval received, prior conducting the activities.

9. PROJECT MONITORING

- 9.1 On top of the progress monitoring that will be done via progress report summary form submission together with the fund disbursement request throughout the funding period, the project shall be monitored on a half-yearly basis starting during the funding period, up to five (5) years AFTER the project completion. The request shall be made by the Secretariat by requesting the company to submit the **Performance Monitoring Form**.
- 9.2 As and when needed, the project monitoring activities shall cover meetings (physical/ online) and site visits to verify the progress of the project.

- 9.3** During the funding period, payments will be made based on the performance of the project progress and completed documents as per the terms and conditions set out in the project agreement.
- 9.4** Monitoring is important for MRC to measure the impact of the fund, ensure that it meets its purposes, and contribute well to growing the Malaysian rubber industry. The monitoring as well is also important for MRC to improve the management process of the fund from time to time. The recipients will be required to report on, but not limited to the number of sales generated, export revenue, new employment created, etc.
- 9.5** Notwithstanding the completion of the project, MRC has the right:
- 9.5.1** To obtain regular information on the project's progress; or
 - 9.5.2** To invite the fund recipients for a seminar presentation; or
 - 9.5.3** To invite the fund recipients to hold an exhibition; or
 - 9.5.4** To conduct a visit to the project location.
- 9.6** All changes/ variations to the project shall be subject to consent in writing from MRC. The fund recipients shall apply in writing at least **three (3) months** before the date of the changes/ variations needed to take place, for consideration and approval of the CC for it to be effective.

10. TERMINATION & FINAL DISBURSEMENT CONDITIONS

- 10.1** MRC has the right to withdraw the fund in the event of the following:
- 10.1.1** Any false information provided by the fund recipients;
 - 10.1.2** Change in project scope without written consent from the MRC;
 - 10.1.3** Any misuse of the fund; and
 - 10.1.4** Any breach of the agreement.
- 10.2** If the project is terminated by MRC, the fund recipients shall pay back the amount of the fund already disbursed.
- 10.3** MRC has the right, at any time, to revise, suspend or withdraw the approval of any fund or payment; and
- 10.4** MRC has the right to make a claim against the fund recipients for any losses arising from any default on the part of the fund recipients as stated in the agreement.
- 10.5** To ensure that the fund recipient will be giving their full commitment to achieve the commercialization objective(s) of the fund and the project, the final amount withheld (min 15% of the total funding) may or may not be

released in full to the company if the product is not able to be commercialized by end of the project term, subject to the decision made at the MRC CC level.

11. STATEMENT OF EXPENDITURE AND UNEXPENDED FUND

11.1 MRC has the right to request the fund recipients to hand over a statement of expenditure at any time during the project period or to provide additional information in support of any interim or final expenditure.

11.2 The fund recipients must return the unexpended fund to MRC within **three (3) months** of the date of project completion. For a project that is terminated, the fund recipients must return to MRC the amount of fund disbursed within **one (1) month** of the date of notice of termination.

12. MALAYSIAN CODE OF RESPONSIBLE CONDUCT IN RESEARCH

12.1 Those who are involved in the project implementation must comply with the code and practices prescribed in the Malaysian Code of Responsible Conduct in Research.

13. ETHICAL APPROVAL, INSTITUTIONAL BIOSAFETY COMMITTEE (IBC) APPROVAL/NOTIFICATION, AND COMPLIANCE WITH THE RELEVANT REGULATIONS

13.1 The project leader must obtain approval and extend a copy of the same from the relevant authority if necessary.

13.2 For a project requiring testing on humans or animals, the project leader must obtain ethical approval and submit a copy from the relevant authority.

13.3 For a project involving living modified organisms (LMOS), the project leader must obtain clearance from the Institutional Biosafety Committee/ relevant body and submit a copy of the application for approval by the National Biosafety Board.

13.4 Information on the use of biological resources and associated traditional knowledge must be completed by filling in the form set out in **Appendix 6**.

-This is a living document that will be updated as and when required-

Appendix 1

COVERED RUBBER PRODUCT CESS CODE CATEGORY FOR MCF

P.U. (A) 309.

MALAYSIAN RUBBER BOARD (INCORPORATION) ACT 1996

MALAYSIAN RUBBER BOARD (CESS) ORDER 1999

CESS ON RUBBER PRODUCTS

No.	Harmonised System Code Number	Description of Rubber Products	Rate of cess (% of the export value)
1	40.07	Vulcanised rubber thread and cord	0.2%
2	40.08	Plates, sheets, strips, rods, and profile shapes, of vulcanised rubber other than hard rubber	0.2%
3	40.09	Tubes, pipes and hoses, of vulcanised rubber other than hard rubber, with or without their fittings (for example, joints, elbows, flanges)	0.2%
4	40.10	Conveyor or transmission belts or belting, of vulcanised rubber	0.2%
5	40.14	Hygienic or pharmaceutical articles (including teats), of vulcanised rubber other than hard rubber, with or without fittings of hard rubber	0.2%
6	40.15	Articles of apparel and clothing accessories (including gloves), for all purposes, of vulcanised rubber other than hard rubber	0.2%
7	40.16	Other articles of vulcanised rubber, other than hard rubber	0.2%
8	40.17	Hard rubber (for example, ebonite) in all forms, including waste and scrap; articles of hard rubber	0.2%
9	5604.10 000	Rubber thread and cord, textile covered	0.2%
10	5604.90 200	Rubber impregnated textile thread	0.2%
11	59.06	Rubberised textile fabrics, other than those of heading No. 59.02	0.2%
12	6506.91 100	Swimming caps, of rubber	0.2%
13	6506.91 900	Other headgear, whether or not lined or trimmed, of rubber	0.2%
14	8544.20 100	Co-axial cable and other co-axial electric conductors, natural or synthetic rubber insulated	0.2%
15	8544.30 100	Ignition wiring sets and other wiring sets of a kind used in vehicles, aircraft or ships, natural or synthetic rubber insulated	0.2%
16	8544.41 210	Power transfer wire, cable, bars, strip and the like, natural or synthetic rubber insulated	0.2%
17	8544.49 210	Other power transfer wire, cable, bars, strip and the like, natural or synthetic rubber insulated	0.2%
18	8544.49 910	Other telephone and telegraph (including radio relay) cables, natural or synthetic rubber insulated	0.2%
19	9004.90 100	Rubber goggles	0.2%

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20	9404.10 000	Mattress supports, of rubber	0.2%
21	9404.21 000	Mattresses of cellular rubber, whether or not covered	0.2%
22	9404.90	Other mattress supports, articles of bedding and similar, furnishing (for example, mattresses, quilts, eiderdowns, cushions, pouffes and pillows) fitted with springs or stuffed or internally fitted with any material or of cellular rubber, whether or not covered	0.2%
23	9503.90 110	Balloons, of rubber	0.2%
24	9503.90 190	Other toys, of rubber	0.2%
25	9506.32	Golf balls, of rubber	0.2%
26	9506.61	Lawn-tennis balls, of rubber	0.2%
27	9506.62	Inflatable balls, of rubber	0.2%
28	9506.69	Other balls, other than golf balls and lawn-tennis balls, of rubber	0.2%

Appendix 2

TECHNOLOGY & BUSINESS READINESS LEVELS

TRL/ BRL	Technology Readiness Description ¹	Business Readiness Description ²
1	Basic principals observed and reported. Scientific or engineering knowledge defines a plausible product concept. Scientific research begins to be translated into applied research and development. Examples might include paper studies of a technology's basic properties.	Exploration begins considering new business or product concepts without a defined outcome. A plausible problem is identified that might translate to a viable business. A market, "Problem Statement," and proposed, "Solutions," are proposed.
2	Invention begins – Once basic principles are observed, practical applications can be invented. Applications are speculative and there may be no proof or detailed analysis to support the assumptions. Examples are limited to analytic studies.	The "Problem" statement is validated with potential users/customers. Evaluation of a general market, customers, product target, and scale of potential business begins to be objectively examined.
3	Active research and development targeted at a defined outcome is initiated. This includes analytical studies and laboratory studies to physically validate analytical predictions of separate elements of the technology. Examples include components that are not yet integrated or representative. Intellectual Property (IP) protection is examined.	Customer and market segments are identified and validation of those segments commences. IP licensing (if appropriate) is evaluated.
4	Basic technological components are integrated to establish that the pieces will work together in a working Proof of Concept device, breadboard, or code. Provisional patent protection is considered.	Validation of the market and/or customer segments for a defined business offering is completed. The product/offering is generally defined. A preliminary <i>pro forma</i> P&L is built based on initial customer/market validation data (Question: Can this make money?).
5	Fidelity of technology improves significantly – The basic technological components are integrated with reasonably realistic supporting elements so it can be tested in a simulated environment.	The Market Requirements Spec (MRS) defining customer/user requirements for a final product is begun. Market price point is examined objectively based on both value proposition and validation data. A cash flow analysis is completed. The complete Business Model is defined. The company (LLC, etc.) is established.
6	Representative model or prototype system is tested in a relevant environment. Represents a major step up in a technology's demonstrated readiness. An Engineering Requirements Specification (ERS) defining the relevant final concept is begun, modeled directly from the MRS (from BRL). Design for Manufacturing and Maintenance (DFM) and Design for Six Sigma (DFSS) concepts are considered. Non-Provisional patent and/or copyright (for software) filings are determined.	The Market Requirements Specification (MRS) defining the customer/user experience is completed. Market price point is validated and the MRS and ERS are examined against one another. An alpha product test plan is built and executed, one that challenges the "first article" or prototype test units in relevant environments. Sales channels are defined.
7	An Engineering Requirements Specification (ERS) is completed and implemented which defines the final product design. Prototype operational system or product demonstrated in an operational environment. Manufacturing/Operations models, building the product, are exercised and validated.	Any differences in the MRS and ERS deliverables are fully reconciled, including target gross margins, dependent on both required vs. wanted features and inclusive costs to design and build. A beta test plan of the "final article" in actual customer environments is implemented. IP licensing is finalized. Final pricing is determined along with gross and net margins. Financial controls are put in place.
8	Technology is proven to work – Actual technology completed and qualified through test and demonstration. The product is put under Change Management control in Engineering – the final form is rigorously defined and controlled.	Beta test plan is completed validating the product meets or exceeds both operational and customer requirements. A product lifecycle plan is examined. A Product portfolio, defined by features, function, and customer segments is built, examining the need to expand the product offering.
9	Technology/product proven through successful operations and user experience.	Product is launched and is in rigorous change management control. Changes outside of safety and health or obsolete subcomponents are only allowed through defining new external product names/numbers. Marketing strategy is fully launched. Sales channels are fully implemented. Initial sales growth is seen.

These TRL and BRL criteria run in parallel, not sequentially.

¹ Adapted from DOE, NASA, and DoD Technology Readiness Level (TRL) guidelines.

² Adapted from Lean Launchpad, Business Model Canvas, Product Lifecycle, and experiential learning.

Appendix 3

LIST OF SUPPORTING DOCUMENTS

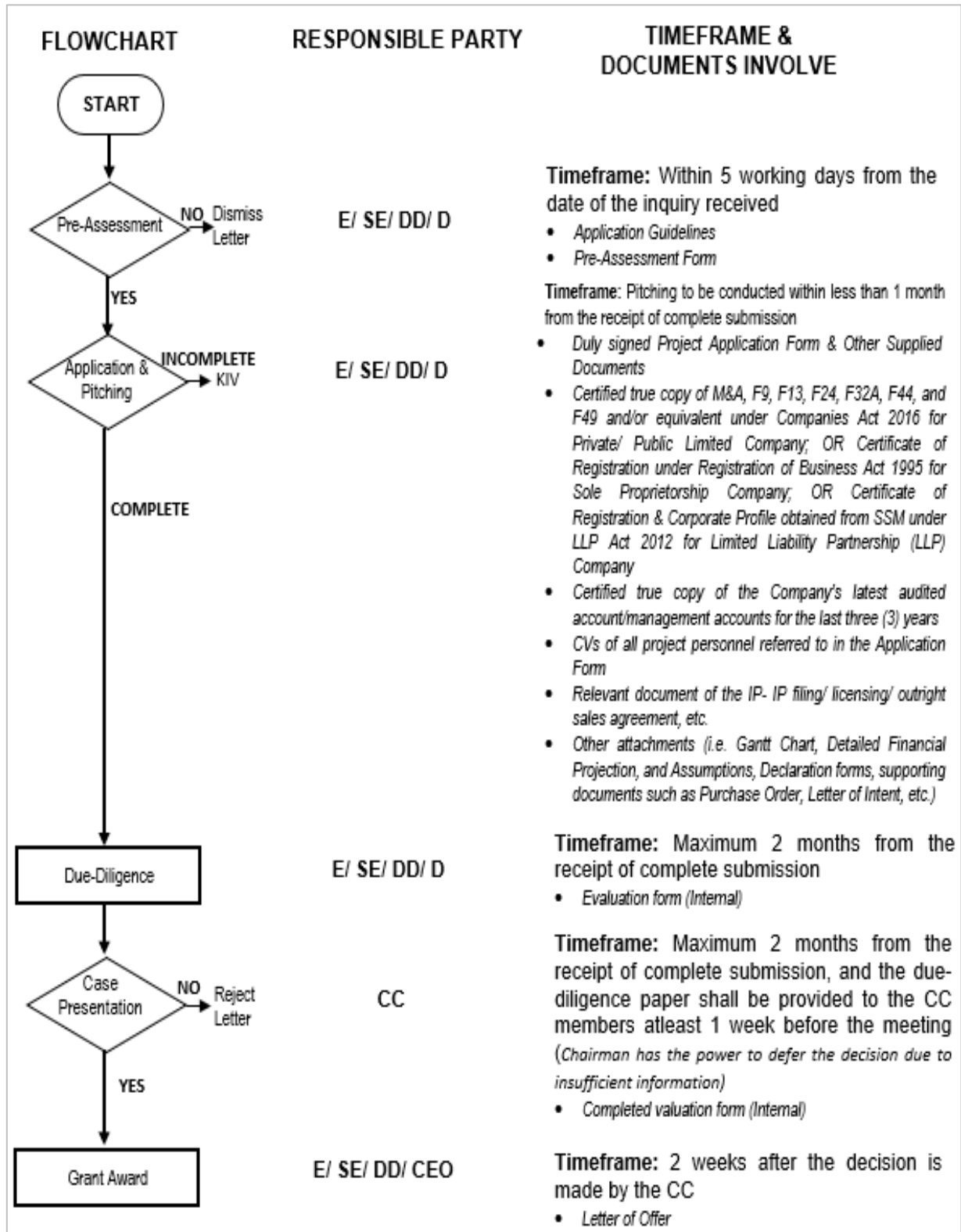
Items		Mode of Submission	Applicant	Collaborator (if applicable)
1	Statutory declaration/ documents	Softcopy (Email)/ Hardcopy	√	
2	Latest SSM search (corporate information from MyDATA portal)/ Company Profile	Softcopy (Email)	√	√
3	Duly signed Project Application Form & Other Supplied Documents	Softcopy (Email)	√	
4	Other attachments to the application (i.e. Gantt Chart, Detailed Financial Projection, Assumptions, Declaration Forms, supporting documents such as Purchase Order, Letter of Intent, etc.)	Softcopy (Email)	√	
5	Relevant document of the IP- IP filing/ licensing/ outright sales agreement, etc.	Softcopy (Email)	√	
6	Certified true copy of M&A, F9, F13, F24, F32A, F44, and F49 and/or equivalent under Companies Act 2016 for Private/ Public Limited Company; OR Certificate of Registration under Registration of Business Act 1995 for Sole Proprietorship Company; OR Certificate of Registration & Corporate Profile obtained from SSM under LLP Act 2012 for Limited Liability Partnership (LLP) Com	Softcopy (Email)	√	
7	Certified true copy of the Company's latest audited account/management accounts for the last three (3) years	Softcopy (Email)	√	
8	CVs of all project personnel referred to in the Application Form	Softcopy (Email)	√	√
9	Copy of work permit for non-citizen project team members/ letter of appointment	Softcopy (Email)	√	√
10	Contract/ Letter of Acceptance or equivalent between entity and collaborator (if relevant)	Softcopy (Email)	√	
11	Letter of consent from head of department to become project member (if relevant)	Softcopy (Email)		√

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12	Contract/ Letter of Acceptance between entity and consultant (if relevant)	Softcopy (Email)	√	
13	Company's EPF statement (if relevant)	Softcopy (Email)	√	
14	Insolvency search (company and project team members)	Softcopy (Email)	√	√
15	Ethical approval /IBC approval or notification (if relevant)	Softcopy (Email)	√	
16	One quotation for each piece of equipment and service listed for purchase, if less than RM100,000, and three quotations, if more	Softcopy (Email)	√	
17	Documents related to approval for land use (inkind) or related matter	Softcopy (Email)	√	

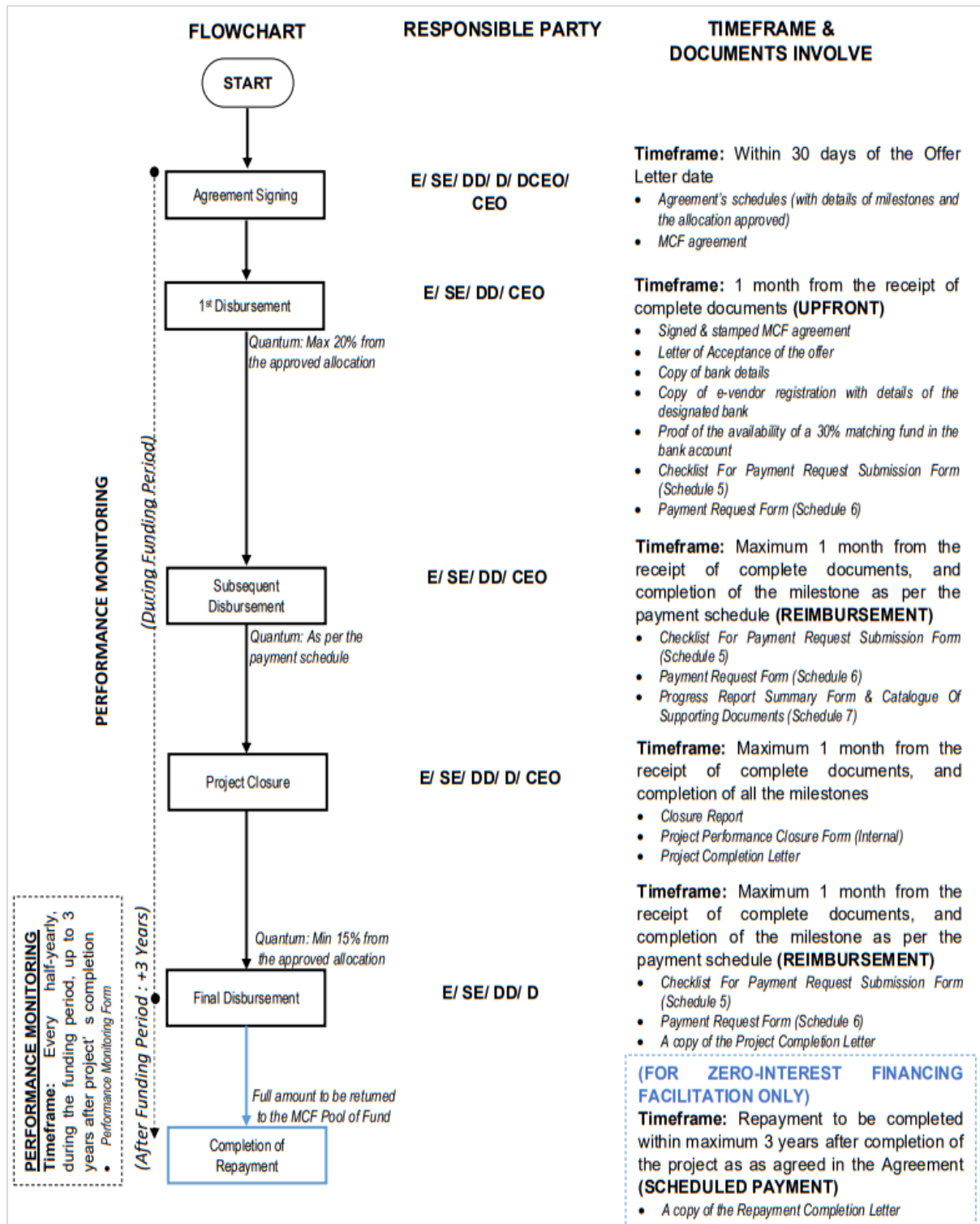
Appendix 4

PROCESS FLOW OF MCF APPLICATION & APPROVAL PROCESS



Appendix 5

PROCESS FLOW OF MCF AGREEMENT PREPARATION, DISBURSEMENT, REPAYMENT & MONITORING PROCESS



Appendix 6

INFORMATION ON THE USE OF BIOLOGICAL RESOURCES AND ASSOCIATED TRADITIONAL KNOWLEDGE (IF RELEVANT)

1. Were biological resources or traditional knowledge associated with biological resources or information relating thereto utilised in the invention applied for?

Yes No

2. If yes, please provide details:

i. Country:

ii. State:

iii. Permit date:

iv. Date of benefit sharing agreement:

A copy of the permit is attached to this form.

3. Date of notification of this application for patent to the National Competent Authority under the Access to Biological Resources and Benefit Sharing Act 2017.
4. A certified copy of the permit accompanies this form.