

FREQUENTLY ASKED QUESTION MORATORIUM DUE TO COVID-19 PANDEMIC (PART 1)

GENERAL FAQ RELATE FOR AUTOMATIC MORATORIUM

NO	QUESTIONS	ANSWER
1	What is moratorium?	The moratorium is a deferment period where customers are not required to make financing payments during the said period.
2	What is the objective of the moratorium?	The objective of the moratorium is to provide temporary relief on financial commitments to customers who are affected by the COVID-19 pandemic.
3	When is the effective date of the moratorium and should the customer apply?	The moratorium automatically takes effect on 1st April 2020 until 30th September 2020. Customers that meet the criteria do not need to apply and will AUTOMATICALLY qualify for the program.
4	Who are eligible for the moratorium?	All individual customers, Small and Medium Enterprises and micro entrepreneur, whose financings are not in arrears exceeding 90 days as at 1st April 2020.
5	If I opt for this moratorium program, will my CCRIS records be adversely affected?	No. Your CCRIS record will not be affected despite no payment being made during the moratorium period. The moratorium program will also not affect the credit score or ability of the customer to obtain other financing in the future.
6	What are the Bank's eligible financing products for this moratorium program?	Types of facilities are: i. Personal financing ii. Term financing iii. Trade financing iv. Working Capital financing v. Ar-Rahnu financing
7	Do customers who are under AKPK's Debt Management Program (DMP) qualify for the moratorium program?	Yes. Customers with financing not in arrears for more than ninety (90) days as at 1st April 2020 are eligible for this program. Customers are advised to visit AKPK's website at www.akpk.org.my for more information.
8	I have more than one (1) financing with the Bank, are all my financing facilities eligible for automatic moratorium?	Yes, customers are eligible if they meet the following criteria: i. All personal and term financing with arrears not exceeding ninety (90) days from 1st April 2020 are eligible for this moratorium. ii. For trade and working capital facility, eligibility is based on entire package or tier that meets the requirement. For example: Customer with financing facilities as follows: i. MUS1M-i with arrears for 30 days; ii. Tawarruq Project with arrears for 50 days; iii. Working capital facility with 4 bills due in 30 days and 1 bill with 100 days due;

		<p>iv. Trade financing facility with two (2) different packages; 1st package with 2 bills due in 30 days and 2nd package with 1 bill 100 days due.</p> <p>For the above situation, customer is only eligible for an automatic moratorium for item 1 and 2 above and not for item 3 and 4.</p>
9	Does automatic moratorium program is applicable for financing disbursed after 1st April 2020?	<p>No, customers financing which are disbursed after 1st April 2020 are not eligible for automatic moratorium.</p> <p>However, customers can always apply to join the moratorium program, subject to assessment and Bank's approval.</p>
10	My current financing was previously rescheduled and restructured (R&R program) with deferment period. Do I qualify for this program?	<p>Yes, customers with financing under R&R program are eligible for the moratorium provided that none of the rescheduled or restructured accounts are in arrears for more than ninety (90) days as at 1 April 2020.</p>
11	I have one (1) month's payment in arrears on 1st April 2020. What happens to these arrears during this moratorium program?	<p>During the moratorium period, no changes in customer's payment arrears until 30th September 2020 and no ta'widh (late payment charges) shall be charged. Starting from 1st October 2020, the Bank shall be entitled to claim these arrears.</p> <p>However, customers are encouraged to settle the payment arrears during moratorium period to reduce the burden of payments due on 1st October 2020.</p>
FAQ RELATED TO OPT OUT FROM AUTOMATIC MORATORIUM		
12	Can I opt out from automatic moratorium program?	<p>Yes, customers are required to notify the Bank via link www.agrobank.com.my/no-mora or e-mail to customer@agrobank.com.my and continue with monthly payment as scheduled.</p> <p>For any inquiry regarding this moratorium program, please contact Agrobank Contact Centre at 1 300 88 2476 (local) or +603 2709 0600 (overseas) which is operating for 24 hours.</p>
13	What should I do if I wish to exit this moratorium program mid-way?	<ol style="list-style-type: none"> i. Customers should contact the Bank if they wish to opt out at any time during the moratorium period. ii. For term financing facility, customers are required to continue their monthly installment as usual. iii. For trade financing or working capital financing, all billings due must be settled as per billings' due date. iv. If customer opted out, ta'widh will be imposed on overdue amount as per agreement signed by customers and the Bank. v. Customers are required to inform the Bank for activation of standing instructions or auto-debit instructions.

Please contact Agrobank Contact Centre at 1 300 88 2476 (local) or +603 2709 0600 (overseas) which is operating for 24 hours.

FAQ RELATED TO PROFIT CHARGED AND FINANCING MATURITY PERIOD

14 Will the customers be charged for additional profit during moratorium period?

No additional profit will be charged on the customer as per the original agreement between the customer and the Bank.

For customers with floating rate financing, profit will be charged during moratorium tenure for six (6) months with the same profit rate* and accrued. Profits charged are below ceiling selling price as per agreement signed by customer and the Bank. Such profit however will not be compounded in line with Shariah principles.

Ta'widh also will not be charged during moratorium period. However, customers who have an overdue on ta'widh are advised to settle it during the moratorium program.

Customers who have opted out from this program, ta'widh will be imposed as usual starting from 1st April 2020 as per question 13.

* Subject to the current Base Rate (BR) and Base Financing Rate (BFR) changes by Bank Negara Malaysia

15 Will my financing installment be affected if I join the moratorium program?

For fixed rate financing, illustration for monthly payment as follows:

Before Moratorium		After Moratorium	
Monthly Installment	Maturity Date	Monthly Installment	Maturity Date
RM500.00	31/12/2021	RM500.00	30/06/2022

For floating rate financing, illustration for monthly payment as follows:

Before Moratorium		After Moratorium	
Monthly Installment	Maturity Date	Monthly Installment	Maturity Date
RM500.00	31/12/2021	RM500.00*	30/06/2022

* Subject to the current Base Rate (BR) and Base Financing Rate (BFR) changes by Bank Negara Malaysia

For floating rate financing, final installment amount subject to outstanding balance on new maturity date and are likely have to pay a slightly higher from monthly installments as a result of moratorium program.

No changes for customers' liability and obligation as stated in the agreement signed by customer and the Bank.



16	How will my financing maturity date be extended?	<p>The customers' financing maturity date will be extended for six (6) months from original maturity date.</p> <p>For example:</p> <table border="1" data-bbox="624 327 1485 405"> <tr> <td data-bbox="624 327 1054 360">Original Maturity Date</td> <td data-bbox="1054 327 1485 360">30 June 2025</td> </tr> <tr> <td data-bbox="624 360 1054 405">New Maturity Date</td> <td data-bbox="1054 360 1485 405">31 December 2025</td> </tr> </table>	Original Maturity Date	30 June 2025	New Maturity Date	31 December 2025
Original Maturity Date	30 June 2025					
New Maturity Date	31 December 2025					
17	Can moratorium period be extended?	<p>Moratorium period is only for six (6) months starting from 1st April 2020 until 30th September 2020.</p> <p>However, the Bank may consider for payment restructuring of the customers' financing in any case the customers facing financial constraints after the moratorium period, subject to the Bank's terms and conditions.</p>				
FAQ RELATED TO PAYMENT						
18	Do customers with financing payment through standing instruction, auto debit or cheque eligible for this program?	<p>Customers who meet the criteria are eligible for this program and payment made through standing instruction, auto debit or cheque will automatically be stopped.</p> <p>Payment will resume on 1st October 2020.</p>				
19	My monthly payments are through standing instruction from another bank. Will my payment be stopped?	Customers are required to contact their respective bank to stop their standing instruction.				
20	I am eligible for automatic moratorium but I have continued making monthly payment. What will happen to the payment that I made?	Every payment received from the customers who are eligible for automatic moratorium will be considered as advance payment. Payment will be updated on 1st October 2020.				
FAQ RELATED TO PERKHIDMATAN BIRO ANGKASA (BPA)						
21	My monthly payment is made through deduction from Biro Perkhidmatan Angkasa (BPA). What action should I take?	<p>The customers shall take note of the following steps:</p> <ul style="list-style-type: none"> • Customers are automatically eligible for this program if there is no amount in arrears exceeding 90 days as at 1st April 2020. • Customers are not required to inform BPA and payment deduction will be stopped for salary April 2020 onwards. • For customers who have opted out, they will need to make monthly payments as usual according to the following methods: <ol style="list-style-type: none"> i. Payment via internet banking AGRONet (This method is recommended throughout the Movement Control Order (MCO) period so that customers do not have to leave the house during the MCO period; ii. Payment by cash deposit machine; iii. Payment over the counter at the nearest Agrobank branch (this method is not recommended during the MCO period and customers can check the branches that are temporarily being closed during the MCO period through the Agrobank's website at www.agrobank.com.my) 				

		<ul style="list-style-type: none"> Customers who opted out from this program before 10th April 2020, salary deduction from BPA will be started by May 2020. Customers who opted out from this program after 10th April 2020, salary deduction will be started from June 2020 onwards.
22	If I have submitted my application to opt out from this moratorium program, can I make a new request to join the moratorium program?	Bank will verify your request but if your opt-out request has been submitted to BPA, you can't reverse your decision. Please make monthly installment as per question 21 if BPA still not deducting your salary.
23	I am a government servant who will be retiring in 6 years' time. Will the tenure of my financing facility be extended if I join the moratorium program?	For monthly salary deduction, the customers' financing period will not be extended. Under this program, your financing will be rescheduled and/or restructured on 1st October 2020 which might affect the customers' financing facility i.e. increase in the monthly installment.

FAQ RELATED TO TRADE FINANCE & WORKING CAPITAL FACILITY

24	Is all my facility eligible for this program?	<p>Customers' eligibility is subject to all outstanding bills as at 1st April 2020 i.e. either the bills are matured or otherwise or they are matured but is in arrears for not more than ninety (90) days.</p> <p>If customer has two (2) facilities for trade financing or working capital financing with one (1) of the billing due for more than ninety (90) days, automatically customer is not eligible for this program.</p> <p>For example:</p> <p>Syarikat ABC has two (2) trade financing facilities with approval of RM500,000.00 and RM1,000,000.00 respectively.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Bill condition as at 1st April 2020</th> <th>1st facility with limit RM500,000</th> <th>2nd facility with limit RM1,000,000</th> </tr> </thead> <tbody> <tr> <td>Number of bill due less than 90 days</td> <td style="text-align: center;">5 bills</td> <td style="text-align: center;">3 bills</td> </tr> <tr> <td>Number of bill due more than 90 days</td> <td style="text-align: center;">NIL</td> <td style="text-align: center;">1 bill</td> </tr> </tbody> </table> <p>From illustration above, Syarikat ABC is automatically not eligible for this moratorium program.</p>	Bill condition as at 1st April 2020	1st facility with limit RM500,000	2nd facility with limit RM1,000,000	Number of bill due less than 90 days	5 bills	3 bills	Number of bill due more than 90 days	NIL	1 bill
Bill condition as at 1st April 2020	1st facility with limit RM500,000	2nd facility with limit RM1,000,000									
Number of bill due less than 90 days	5 bills	3 bills									
Number of bill due more than 90 days	NIL	1 bill									
25	Can I perform facility utilization during moratorium period?	<p>Yes, the customers are allowed to utilize the facility during moratorium period with condition financing limit is still available.</p> <p>However, the term and condition for such utilization of the facility shall be pursuant to the agreement signed by customer and the Bank and is not subject to the automatic moratorium program.</p>									

26	One of my bills will be due during the moratorium period. Am I required to settle my bill?	<p>All the outstanding bills as at 1st April 2020 which maturity falls during the moratorium period shall only be due for payment by 1st October 2020.</p> <p>No additional charges impose for bills matured during deferment period.</p> <p>If customer facing burden to settle past due during moratorium period, customer can request for financing to be restructured. (please refer question 27)</p>
27	What if I could not settle all my eligible bills during the moratorium period?	If the customers could not settle the outstanding bills during moratorium period, customers may apply for facility restructuring into Temporary Term Financing (TTF).
28	What is Temporary Term Financing (TTF)?	<p>TTF is a financing offered by the Bank to those customers who are incapable to settle their overdue bills which are eligible under the moratorium program. It allows the customers to settle the said bills through payment of thirty six (36) months' installments including six (6) months' deferment period starting 1st April 2020.</p> <p>The TTF is a sub-limit of the trade or working capital facility and the earmark limit under the facility shall be opened and made available for customers' utilization of the equivalent amount paid by customers.</p>

FAQ RELATED TO AQAD AND FINANCING AGREEMENT

29	Do I need to execute new agreement and perform new aqad under the moratorium program?	<p>Customers are not required to perform new agreement or aqad since there is no change of the selling price as specified in the facility agreement between the customer and the Bank.</p> <p>Supplementary letter of offer and implementation for new aqad will be performed if selling price exceeds ceiling selling price and explicit consent will be obtained from customer before the new aqad is implemented.</p>
30	Will I receive any notification if I agree to participate in this program?	Yes, customers who are eligible and did not opt out from this program will receive notification letters from the Bank which sets out the new terms and conditions related to the customers' financing.

22 May 2020