

FREQUENTLY ASKED QUESTIONS - MORATORIUM FOR FIXED RATE ISLAMIC FINANCING (PART 2)

(Referring to the Bank Negara Malaysia press released entitled
"Pengendalian Moratorium bagi Pinjaman Sewa Beli dan Pembiayaan Islam Berkadar Tetap"
on Thursday, 30 April 2020)

QUESTION ABOUT MORATORIUM FOR FIXED RATE ISLAMIC FINANCING		
NO.	QUESTION	ANSWER
1	What is fixed rate Islamic financing?	Islamic financing that imposes a fixed rate profit on the customer's financing which has no ceiling profit rate.
2	How can customers know that their financing is fixed rate?	Customers can check through their executed financing agreement with Agrobank.
3	Which type of Agrobank's financing that offers a fixed rate profit?	Most of the products are from micro financing segment, including MUS1M-i, Paddy-i and other financing, subject to the agreement signed by the customer.
4	Following the announcement by Bank Negara Malaysia (BNM) dated 30 April 2020, do the customers need to apply for this moratorium program?	Eligible customers do not need to apply for this moratorium program.
5	How would the customers know whether they are eligible for the moratorium program?	Eligible customers would have received a Short Message System (SMS) from Agrobank on 1st April 2020. For those customers who do not receive SMS, please note that the notification is also made through Agrobank's social media, e-mail or phone call from Agrobank's Officer.
6	How long is the moratorium period given?	The moratorium period remains unchanged from 1st April 2020 to 30th September 2020.
7	Why are financings other than fixed rate Islamic financing not affected with BNM announcements?	The latest announcement from BNM is specifically for fixed rate Islamic financing (for related financing at Agrobank). For other financing, the previous BNM's announcement is still applicable. The announcement is intended to ensure the implementation of moratorium on fixed rate Islamic financing is in line with existing terms under the financing agreements executed between the customers and related financial institution and to comply with Shariah requirements. However, the announcement will not affect Agrobank's customers with fixed rate Islamic financing as Agrobank will not charge additional profit during the moratorium period.
8	Are there any changes on the customer eligibility for this moratorium program?	There are no changes on the customer eligibility based on the previous announcement made by BNM.



9	Is the customer's financing tenure affected?	<p>Yes, the customer's financing tenure will be extended for six (6) months from the maturity date of the original financing tenure.</p> <p>Example:</p> <table border="1" data-bbox="625 344 1481 479"> <tr> <td>Original Maturity Date</td> <td>30 June 2025</td> </tr> <tr> <td>New Maturity Date</td> <td>31 December 2025</td> </tr> </table>	Original Maturity Date	30 June 2025	New Maturity Date	31 December 2025								
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10	Is there any profit rate being charged on the customer's account during the moratorium period and will the monthly installment varies?	<p>No additional profit shall be charged on the customer's financing during the moratorium period.</p> <p>The monthly installments before and after the moratorium period are as illustrated below:</p> <p>MUS1M-i Financing</p> <table border="1" data-bbox="619 840 1185 1160"> <tr> <td>Financing Amount</td> <td>RM10,000.00</td> </tr> <tr> <td>Financing Tenure</td> <td>36 months + 6 months extended period</td> </tr> <tr> <td>Profit rate</td> <td>15%</td> </tr> </table> <table border="1" data-bbox="619 1189 1461 1355"> <thead> <tr> <th rowspan="2">Monthly Installment</th> <th>Before Deferment</th> <th>After Deferment</th> </tr> </thead> <tbody> <tr> <td></td> <td>RM237.00</td> <td>RM237*</td> </tr> </tbody> </table> <p>* The monthly installments and the customer's obligations are the same as the terms of the agreement executed by the customer previously.</p>	Financing Amount	RM10,000.00	Financing Tenure	36 months + 6 months extended period	Profit rate	15%	Monthly Installment	Before Deferment	After Deferment		RM237.00	RM237*
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11	Can customers opt out of this moratorium program and what action should be taken?	<p>Yes. Eligible customers can opt out from this moratorium program by notifying Agrobank via the link at www.agrobank.com.my/no-mora</p> <p>For customers who have opted out, they will need to make monthly payments as usual according to the following methods:</p> <ol style="list-style-type: none"> 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; Payment by cash deposit machine; Payment to be made at the nearest Agrobank branch counter (This method is not recommended during the MCO period and customers can check the branches that temporarily being closed during the MCO period through the Agrobank's website at www.agrobank.com.my) 												

12	Do I need to execute a new agreement and Aqad for this moratorium program?	Customers do not need to execute a new agreement and Aqad as this moratorium program does not change the original customer's financing profit.
13	If I participate in this moratorium program, will I receive any notification?	Yes, if customers are eligible under this moratorium program and do not opt out of the program, Agrobank will issue a notice to update the customers especially regarding the new financing maturity date.

3 May 2020

