

Updated Frequently Asked Questions (FAQs) on Automatic Moratorium as at 5 June 2020

No.	Question	Answer
1.	What is automatic moratorium of financing payment?	<p>It is a temporary deferment or suspension of financing payment obligation (principal and profit) for a limited period of time. During this period, customers with financing that meet the conditions do not need to make any payment, and no late payment charges or penalties will be imposed.</p> <p>Profit will continue to accrue on financing payments that are deferred and customers will need to honour the deferred payments in the future. Financing payment resumes after the moratorium period.</p> <p>Consequently, the maturity of the financing tenure is extended for another 6 months for the deferred instalments.</p>
2.	What is the objective of the automatic moratorium?	<p>The aim of this moratorium is to provide some relief to individuals and small & medium enterprise (SME) businesses who face temporary financial constraints arising from the COVID-19 pandemic. We hope that this will help individuals and SME businesses facing financial adversities to cope with challenges during this period. Financing payment resumes after the moratorium period.</p>
3.	Which financing qualifies for the moratorium?	<p>For individuals and small and medium enterprises (SMEs), the moratorium in Islamic financing payment obligations (except for credit cards) is automatically effected by Bank Islam Malaysia Berhad ("the Bank") if the financing meet these criteria ("the Criteria"):</p> <ul style="list-style-type: none"> a) not in arrears exceeding 90 days as at 1 April 2020; and b) denominated in Malaysian Ringgit. <p>At the same time, Corporate and Commercial customers may request for the moratorium on financing payment from the Bank.</p>
4.	Would financing that become 90 days past due on 1 April 2020 itself qualify for the moratorium?	Yes.
5.	Would all new financing disbursed after 1 April 2020 qualify for the moratorium?	<p>For new financing approved or disbursed after 1 April 2020, the moratorium will not be automatic, and is subject to the Bank's assessment and approval.</p> <p>Customers may request for the moratorium on or before 31 Dec 2020.</p>

No.	Question	Answer
6.	Will financing that have already been accorded a moratorium under a previous R&R exercise be eligible for another 6 months of deferment under the moratorium?	Yes, subject to the financing meeting the Criteria.
7.	Is the moratorium only applicable to Ringgit financing: a) How does the Bank treat foreign currency-denominated financing for Malaysian customers? b) Is this also applicable to financing by non-Malaysian customers, provided it is denominated in Ringgit?	a) As a principle, financing denominated in foreign currencies are not eligible for the automatic moratorium. However, the Bank may consider to restructure and/ or reschedule foreign currency-denominated facilities, which may include payment moratoriums. b) Yes.
8.	Can the moratorium be extended to personal financing products provided to civil servants?	Yes, so long as the qualifying Criteria are met.
9.	Does the automatic moratorium apply to leasing and hire-purchase payments?	Yes.
10.	Can I ask for more than 6 months moratorium?	No. The moratorium is only for 6 months.
11.	If I opt for the moratorium, will my CCRIS records be adversely affected?	No. Your CCRIS will not be affected during the moratorium period. It will remain similar as per the status as at March 2020 throughout moratorium period.
12.	As an individual or SME, do I need to apply?	No. All individuals and SME financings (excluding credit cards) that meet the Criteria will automatically qualify for the moratorium to take effect on 1 April 2020.

No.	Question	Answer
13.	My financing is in default, can I qualify? Can financing under rescheduling and restructuring (R&R) programme be eligible for the moratorium?	<p>Financing accounts already in arrears for more than 90 days as at 1 April do not qualify for the moratorium. Customers are advised to update their financing account to be within 90 days in arrears by 1 April to qualify automatically.</p> <p>Financing under R&R programme is also eligible for the moratorium subject to meeting the Criteria.</p>
14.	If the customer has multiple financing with the Bank, and only one of the financing is in default, would the other financing or facilities automatically qualify for the moratorium?	<p>Yes. The moratorium is applicable on a per facility basis, and if a financing facility meets the Criteria for individuals and SMEs, it will automatically qualify for the moratorium.</p>
15.	How is the moratorium different from the other financing moratoriums announced by some banks recently?	<p>Banks and development financial institutions (DFIs) have been proactive in responding to the needs of their customers with various rescheduling and restructuring packages offered to assist affected customers. Such efforts are welcomed and encouraged during these challenging times.</p> <p>Customers that have accepted assistance from banks and DFIs to reschedule and restructure their financing can opt out of such arrangement, if they wish to do so.</p>
16.	Which banks offer this moratorium package?	<p>All licensed banks, licensed Islamic banks and prescribed development financial institutions (DFIs) regulated by BNM will offer this moratorium flexibility. Customers that meet the eligibility criteria can avail themselves to this flexibility automatically.</p>
17.	How do I know the Bank has enrolled my financing into the moratorium period? How do I know if I have qualified?	<p>The Bank will provide individuals and SME customers with adequate information or notification that your financing payments have been deferred under this scheme.</p> <p>Such information or notification may be provided through a general or personalised advisory issued to customers via appropriate channels, and/ or published on our websites.</p>
18.	I want to continue with my financing payments. How do I opt-out of the automatic moratorium?	<p>You should communicate your option to opt-out of the automatic moratorium via the channel to be advised by the Bank through SMS (for individual customers) and telephone call (for SME). Then you should continue to make timely and full payment of your financing.</p>

No.	Question	Answer				
19.	<p>What would happen to my financing payments after the moratorium period?</p> <p>How does being in the moratorium affect my profit payments after the 6-month period?</p> <p>Is there an increase in monthly payments, or longer tenure?</p>	<p>Profit will continue to accrue on financing payments that are deferred. Your instalment will remain the same. However, the maturity of the financing will consequentially be extended by 6 months.</p> <p>Customers are advised to contact the Bank's Contact Centre by 1 September 2020 to discuss the suitable workout plans to pay the principal and profit accrued during the moratorium period. This may include higher subsequent instalment amount.</p>				
20.	<p>What would my home financing monthly payment look like after the 6 months moratorium period?</p>	<table border="1"> <thead> <tr> <th>Monthly Installment Before Moratorium</th> <th>Monthly Installment After Moratorium</th> </tr> </thead> <tbody> <tr> <td>RM1,583-51</td> <td>RM1,583-51 (unchanged)</td> </tr> </tbody> </table> <p>The above illustration for Home Financing is based on the following assumptions:</p> <ul style="list-style-type: none"> ▪ Financing amount : RM300,000 and fully disbursed ▪ Profit Rate : 4.00% p.a. ▪ Original tenure : 25 years ▪ Customer has made prompt payment for the last 10 years ▪ No payment is made during the 6 months moratorium period ▪ Profit is charged during moratorium (no compounding of profit) ▪ Original tenure will be extended by 6 months 	Monthly Installment Before Moratorium	Monthly Installment After Moratorium	RM1,583-51	RM1,583-51 (unchanged)
Monthly Installment Before Moratorium	Monthly Installment After Moratorium					
RM1,583-51	RM1,583-51 (unchanged)					

No.	Question	Answer				
21.	What would my car financing monthly payment look like after the 6 months moratorium period?	<table border="1"> <thead> <tr> <th>Monthly Instalment Before Moratorium</th> <th>Monthly Instalment After Moratorium</th> </tr> </thead> <tbody> <tr> <td>RM2,000-00</td> <td>RM2,000-00 (unchanged)</td> </tr> </tbody> </table> <p>The above illustration for Car Financing is based on the following assumption:</p> <ul style="list-style-type: none"> ▪ Financing amount is RM100,000-00 ▪ Profit Rate 4.0% ▪ Full disbursement ▪ Prompt payment ▪ Original tenor 5 years and customer has made payment for 3 years ▪ Monthly instalments will be suspended during the moratorium period (no compounding of profit) and the customer's financing will be extended for 6 months after maturity at the same instalment amount. 	Monthly Instalment Before Moratorium	Monthly Instalment After Moratorium	RM2,000-00	RM2,000-00 (unchanged)
Monthly Instalment Before Moratorium	Monthly Instalment After Moratorium					
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22.	Do I need to perform new Aqad since my facility is now extended by 6 months after maturity?	No new Aqad is required as the total payment after the extension will not be higher than the amount contracted by customer and the Bank.				
23.	I work in the tourism sector and have been badly affected by recent events, I have been struggling to meet my monthly property financing payments since January and my savings are soon running dry. Do I qualify for the moratorium?	Yes, provided that your financing is not in arrears for more than 90 days as at 1 April 2020.				
24.	I run a small business which has been severely affected by COVID-19, if business does not improve, I will soon be defaulting on my car and personal financing? Do I qualify for the moratorium?	Yes, provided that your financings are not in arrears for more than 90 days as at 1 April 2020.				

No.	Question	Answer
25.	Will I be charged additional profit on the payment amount that is deferred by 6 months during the period?	<p>The profit will continue to accrue on the outstanding principal amount. Such profit however will not be compounded in line with Shariah principles.</p> <p>The Bank will not impose late payment charges/ compensation (Ta'widh) on the deferred amount. In other words, the financing payment is just deferred by 6 months.</p> <p>For financing based on a floating rate, the outstanding balance at maturity will change according to any changes in the Bank's base financing rate.</p>
26.	Does this moratorium package apply to newly approved/ disbursed financings?	It applies to all individuals and SME financings outstanding as at 1 April 2020.
27.	Would my financings with other non-bank credit providers qualify for this moratorium?	No, this is only applicable to financing offered by financial institutions regulated by Bank Negara Malaysia, namely banks and development financial institutions.
28.	<p>a) For corporates that request for the payment moratorium, is this subject to the risk assessment and discretion of the Bank?</p> <p>b) Is there a time window for such requests to be made?</p>	<p>a) Yes, the requests for moratorium from corporate customers are subject to the risk assessment and approval of the Bank.</p> <p>The Bank will facilitate requests for a moratorium in a way that will enable viable corporate customers to preserve jobs and swiftly resume economic activities when conditions stabilise and improve.</p> <p>This may include the appropriate consideration of additional financing to support immediate cash flows and to allow reasonable time for the business to fully recover from the current disruption. The decision for a moratorium and/ or additional financing shall be subject to the Bank's internal requisite approvals.</p> <p>b) Yes. Corporate customers can apply for the 6-month moratorium on or before 31 December 2020.</p>
29.	If a corporate opts in for a moratorium, would it still be able to get new financing from the Bank?	The decision to offer new financing shall be subject to the Bank's internal requisite approvals.
30.	As a corporate, what would be the criteria to opt-in?	<p>The same Criteria and the Bank's internal requisite approvals shall apply.</p> <p>You may contact any of our officers from the Corporate Banking Division or Commercial Banking Division of the Bank for further clarification and discussion.</p>

No.	Question	Answer
31.	Is the automatic moratorium for SMEs and individuals also applicable for corporate clients tagged as SMEs and high- net worth individuals?	<p>Yes. The automatic moratorium is also applicable for the two segment as long as they meet the Criteria.</p> <p>For the avoidance of doubt, SME customers are defined in accordance with the <i>Guideline for New SME Definition</i> issued by SME Corporation Malaysia in October 2013.</p>
32.	Payment for my financing is automatically deducted from my salary. Do I qualify for the moratorium?	<p>Yes. Please inform your employer to stop the salary deduction if you wish to have your financing payments deferred.</p>
33.	What if I have a Standing Instruction for the payment of my financing?	<p>Bank Islam will suspend your Standing Instruction for the moratorium period if the Standing Instruction is from your savings/ current account with Bank Islam and is maintained by our Branches.</p> <p>If the Standing Instruction was maintained by customer via the Bank's internet banking, the customer himself/ herself will have to delete the Standing Instruction during the period of moratorium.</p> <p>If your savings/ current account is with another bank, please arrange to suspend the Standing Instruction for the moratorium period with the respective bank.</p>
34.	Will the bank automatically stop the payment requirement if I did not respond to their notification?	<p>Yes.</p>
35.	Am I eligible for the automatic moratorium if my financing account is under AKPK program?	<p>Yes. Accounts under AKPK program are also eligible for automatic moratorium.</p>
36.	Can the customer request for more than 6 months deferment period?	<p>If the customer is unable to continue the monthly instalment after expiry of moratorium period, the customer may come to the Bank to negotiate an affordable and suitable payment plan after the moratorium period which may include a step up instalment plan to settle the deferred installments. Or else, customer may also request for refinancing, rescheduling or restructuring.</p>

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Frequently Asked Questions (FAQs)

Bank Islam Credit Card-i (BIC-i Balance Conversion Programme)

No.	Question	Answer
1	What is BIC-i Balance Conversion Programme?	BIC-i Balance Conversion Programme is a credit card-i programme available to eligible Bank Islam Credit Card-i cardmembers to convert their outstanding statement balances (principal amount only) into an instalment plan at an effective profit rate of 13% p.a. for 36 months.
2.	What is the objective of the BIC-i Balance Conversion programme?	The aim of this BIC-i Balance Conversion Programme is to provide some relief to individual cardmembers who face temporary financial constraints arising from COVID-19 pandemic. We hope this programme will help individual cardmembers cope with challenges during this period.
3	How do I qualify for BIC-i Balance Conversion Programme?	<ol style="list-style-type: none"> 1. All principal cardmembers with account not in arrears exceeding 90 days as at 1 April 2020 with minimum outstanding statement balances (principal amount only) of RM1,000 and above may apply for the BIC-i Balance Conversion Programme. 2. Cardmembers who have been unable to meet the minimum monthly payment for three (3) consecutive months will be automatically enrolled into the BIC-i Balance Conversion Programme. If you fall under this category, you do not have to call the Bank. The conversion will be done automatically. The Bank will inform you on the payment arrangements and instalment amount.
4	How do I apply for BIC-i Balance Conversion Programme?	<p>Principal cardmembers can:</p> <ol style="list-style-type: none"> 1. Send short message service (SMS) YESPBA<jarak>NRIC to 66300; or 2. Download Bank Islam Credit Card-i Balance Conversion Programme Application Form at Bank Islam Corporate website and send the completed form via email to bicc.customer.service@bankislam.com.my <p>If you do not wish to opt for the conversion programme, you do not need to inform Bank Islam. You may continue to fulfill your credit card-i payment obligation as usual.</p>
5	Is there any minimum amount if I wish to apply for the BIC-i Balance Conversion Programme	You may enrol for BIC-i Balance Conversion Programme if your outstanding credit card-i statement balance (principal amount only) is RM1,000.00 and above.

6	<p>Why the balance conversion is allowed on the principal amount only and not total outstanding credit card-i statement?</p>	<p>Profit will continue to accrue on the outstanding principal amount of your credit card-i balance and will not be compounded in line with Shariah principles. Hence accumulated profit and billed fees and other charges (e.g. annual fee, cash withdrawal fee, service tax, ta'widh etc.) are excluded from the conversion amount.</p>
7	<p>Can I apply for BIC-i Balance Conversion Programme for a shorter or longer than 36 months tenure?</p>	<p>BIC-i Balance Conversion Programme is available for tenure of 36 months only</p>
8	<p>Am I allowed to add additional amount to be converted to term financing?</p>	<p>The amount to be converted into term financing is based on the statement balance at the point of conversion only.</p> <p>Additional financing facility to be granted will be based on Bank Islam's normal credit underwriting processes, which include affordability assessment.</p>
9	<p>I heard that card issuer will now provide automatic conversion of credit card-i balances into term financing, but I have a monthly salary of about RM5,500. Will I qualify for this conversion package by card issuer?</p>	<p>All cardmembers are eligible to participate in the BIC-i Balance Conversion Programme regardless of their level of income however they are subject to condition as stated under Question 3</p> <p>For cardmembers that have missed three consecutive months of their minimum monthly payments, Bank Islam will automatically convert the outstanding credit card-i statement balances (principal amount only) into a term financing of three years (36 months) in tenure at an effective profit rate of 13% per annum.</p> <p>All other cardmembers can opt-in for BIC-i Balance Conversion Programme anytime from 1 April to 31 December 2020 and convert their credit card-i statement balances into term financing at the same tenure and rate as above.</p>
10	<p>My credit card-i account is in default, can I qualify? Can financing under rescheduling and restructuring (R&R) programme be eligible for the BIC-i Balance Conversion Programme?</p>	<p>Credit card-i accounts that are already more than 90 days in arrears or under R&R programme will not qualify for the BIC-i Balance Conversion Programme. Cardmembers are advised to approach the Bank's Contact Center to seek assistance.</p>

11	<p>If I am currently in AKPK programme, am I eligible to apply for BIC-i Balance Conversion Programme?</p>	<p>Credit Card-i account under AKPK programme is not eligible for the BIC-i Balance Conversion Programme.</p>
12	<p>If I am currently enrolled in Auto Balance Conversion (ABC) programme, can I apply for BIC-i Balance Conversion Programme?</p>	<p>Yes. You may enrol for BIC-i Balance Conversion Programme if your outstanding credit card-i statement balance (principal amount only) meets the criteria of minimum of RM1,000.00 and not in arrears for more than 90 days as at 1 April 2020. The outstanding instalment balances e.g. ABC instalment, Retail Spread Value Plan (RSVP) instalment and Instalment Payment Plan (IPP) instalment are not applicable.</p>
13	<p>I have two credit cards with big amounts outstanding, and I was retrenched in January 2020. I have not been able to meet my credit card-i monthly obligations since January and am very worried of the consequences. Will I qualify for the conversion of these outstanding balances into term financing? How does it work? Do I need to call my card issuer to effect this?</p>	<p>If you have been unable to meet the minimum monthly payment on your credit card-i for 3 consecutive months, Bank Islam will automatically convert the outstanding balance into a term financing of 3 years (36 months) at an effective profit rate of 13% per annum.</p> <p>Bank Islam will send you a notification on this and advise you on the term financing arrangement. You can also contact Bank Islam to request for a conversion if Bank Islam has not automatically converted the outstanding balance on your credit card-i by:</p> <ol style="list-style-type: none"> 1. Sending short message service (SMS) YESPBA<jarak>NRIC to 66300; or 2. Download Bank Islam Credit Card-i Balance Conversion Programme Application Form at Bank Islam Corporate website and send the completed form via email to bicc.customer.service@bankislam.com.my
14	<p>If I have enrolled for BIC-i Balance Conversion Programme, can I still use my credit card-i?</p>	<p>Yes, you may continue using your credit card-i up to the remaining financing limit after taking into account the balance converted into a conversion package subject to availability of financing limit.</p> <p>The outstanding balance converted into the term financing is treated as part of the financing limit. In addition, the monthly financing instalments will then form part of the minimum monthly payment amount on the credit card-i.</p> <p>Your BIC-i Facility limit will be incrementally restored based on monthly instalment paid and it will be fully restored once it is fully paid.</p>

15	Can I terminate the term financing under BIC-i Balance Conversion Programme before the 36 months ends?	Yes, but you need to fully settle the term financing balance. There is no early settlement penalty imposed.
16	How do I opt-out from BIC-i Balance Conversion Programme and deferment of payment?	You may opt-out from BIC-i Balance Conversion Programme by: <ol style="list-style-type: none"> 1. Sending short message service (SMS) NOPBA<jarak>NRIC to 66300; or 2. Download Bank Islam Credit Card-i Balance Conversion Programme Application Form at Bank Islam Corporate website and send the completed form via email to bicc.customer.service@bankislam.com.my
17	If I have opted-out from BIC-i Balance Conversion Programme, can I re-apply again?	No. You may apply for BIC-i Balance Conversion Programme only once between 1 April 2020 to 31 December 2020.
18	After the first automatic conversion, if I am unable to meet my credit card-i minimum payments again, will the card issuer convert the balance into a term financing?	No, the automatic BIC-i Balance Conversion into term financing will only be done once during the period from 1 April to 31 December 2020.
19	Can credit cardmembers who have converted their card-i balances into a term financing immediately ask for 6 months deferment of financing payment package?	Yes, they can. As credit card-i is not included in automatic moratorium for deferment package, cardmembers have to apply for the 6 months deferment of payment by email to bicc.customer.service@bankislam.com.my . Monthly payment for the term financing resumes after the deferment period.
20	In the event my request for conversion is not approved by Bank Islam, can I request for the deferment package?	No, the deferment of payments for 6 months is not applicable to credit card-i balances.

21	If my credit card-i outstanding balances is converted to a term financing, will my CCRIS records be adversely affected?	Your CCRIS record will not be adversely affected, if your credit card-i account is performing (in arrears for 90 days or less) at the point of conversion. However if your credit card-i account is already non-performing (in arrears for more than 90 days), this will continue to be reflected in your CCRIS record.
22	If I have opted for BIC-i Balance Conversion Programme, am I still entitled for the Takaful coverage for my BIC-i facility?	Yes. The Takaful coverage for your BIC-i Facility continues as per the current terms and conditions.

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FREQUENTLY ASKED QUESTIONS **PERTAINING TO AUTOMATIC MORATORIUM** **FOR AR-RAHNU FACILITY**

No.	Question	Answer
1.	Is Ar-Rahnu facility subject to moratorium?	<p>Yes, Ar-Rahnu facility is subjected to moratorium effective 1 April 2020 until 30 September 2020.</p> <p>The eligible customer will be given a deferment of the monthly safekeeping fee and redemption of the Pawns Asset throughout the moratorium period.</p>
2.	Is my Ar-Rahnu account eligible for the moratorium?	<p>Ar-Rahnu account with a maturity date which falls on 1 April 2020 until 30 September 2020 is eligible for the automatic moratorium.</p> <p>After the expiry of moratorium, eligible customer will be given one (1) month grace period starting from 1 October 2020 until 31 October 2020 to settle any monthly safekeeping fees due or make full redemption of the account.</p>
3.	Will I be charged monthly safekeeping fees during the moratorium period?	<p>Yes, the monthly safekeeping fee will be charged to the customer throughout the moratorium period.</p> <p>However, the safekeeping fee must be paid within one (1) month after the expiry of moratorium (refer item 2).</p>
4.	Can I pay the monthly safekeeping fee or redeem the Pawns Asset during the moratorium period?	<p>Yes, you can pay the monthly safekeeping fee or redemption of the Pawns Asset during the moratorium period to reduce the total monthly safekeeping fee imposed.</p>
5.	Will my Pawns Asset be auctioned during the moratorium period?	<p>No auction will be conducted during the moratorium period.</p> <p>However, after the expiry of moratorium period, you will be given one (1) month grace period starting from 1 October 2020 until 31 October 2020 to settle any monthly safekeeping fees due or to make full redemption.</p> <p>Overdue account after 31 October 2020 will be subjected to auction as per the prevailing terms and conditions of Ar-Rahnu facility.</p>

No.	Question	Answer									
6.	My Ar-Rahnu account had matured/ will mature during the closure of Ar-Rahnu branches. What should I do?	<p>You can make the monthly safekeeping fee payment or make full redemption at the Ar Rahnu Bank Islam branches starting from 1 April 2020 until the end of Movement Control Order (MCO) period as follows:</p> <table border="1"> <thead> <tr> <th>List of services offered</th> <th>Day</th> <th>Time</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/> Redemption of Pawned Asset</td> <td>WEDNESDAY only</td> <td>10.00 a.m. to 2.00 p.m.</td> </tr> <tr> <td><input type="checkbox"/> Payment of Safekeeping Fee</td> <td></td> <td></td> </tr> </tbody> </table>	List of services offered	Day	Time	<input type="checkbox"/> Redemption of Pawned Asset	WEDNESDAY only	10.00 a.m. to 2.00 p.m.	<input type="checkbox"/> Payment of Safekeeping Fee		
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