

## MIDF MORATORIUM ON LOAN AND FINANCING REPAYMENTS

### FREQUENTLY ASKED QUESTIONS

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**Q. What is the definition of moratorium?**

A. *It is a temporary deferment or suspension of financing / loan repayment obligations (principal and interest / profit) for a limited period of time. During this period, qualified borrowers / customers with loan / financing do not need to make any repayment and no late payment charges or penalties will be imposed.*

**Q. Is there any additional charge during the deferred / moratorium period?**

A. *Profit / Interest will continue to accrue on financing / loan repayments that are deferred and borrowers will need to honour the deferred repayments in the future. Financing /Loan repayment resumes after the deferred / moratorium period.*

*There will be no late penalty charges during the moratorium period. In other words, the financing repayment / loan are just deferred for 6 months.*

**Q. Who qualifies for the automatic moratorium? What are the criteria?**

A. *Small and medium enterprises /companies (SMEs) which have financing with MIDF and meet the following criteria: -*

- *Loan and Financing are not in arrears exceeding 90 days as at 1 April 2020; and*
- *Loan and Financing are denominated in Ringgit Malaysia*

**Q. Do I need to apply to be eligible for the moratorium?**

A. *No, if you are a qualified SME.*

**Q. If I am not a SME, can I apply for the moratorium?**

A. *Yes you may, subject to the following criteria:*

- *Loan and Financing not in arrears exceeding 90 days as at 1 April 2020; and*
- *Loan and Financing are denominated in Ringgit Malaysia*

*For non-SMEs clients, a restructuring and rescheduling of your Loan and Financing is also a possible option.*

**Q. Can I ask for more than a 6 months moratorium period?**

A. *The moratorium is only for 6 months. If you need a longer repayment period, MIDF may consider a restructuring and/or rescheduling of your Loan and Financing facilities. Please contact your Account Manager for further advice and clarification.*

**Q. If I opt for the moratorium, will my CCRIS records be adversely affected?**

A. *No. However, you are advised to contact your Account Manager to discuss how to resume repayments after the moratorium period.*

**Q. If my financing / loan is in default, do I still qualify?**

A. *Loans and Financing that are already more than 90 days in arrears, do not qualify for the automatic moratorium.*

**Q. Can Loans and Financing under Restructuring and Rescheduling (R&R) be eligible for the moratorium package?**

A. *Loans and Financing presently under Restructuring and Rescheduling (R&R) are also eligible for the moratorium subject to meeting the criteria outlined above.*

**Q. How do I know if MIDF has enrolled my financing / loan into the moratorium programme? How do I know if I have qualified?**

A. *MIDF will issue a notification letter to you informing that your account has been placed under the moratorium programme. Alternatively, you may contact your Account Manager or our Business Advisory Unit for confirmation.*

**Q. I want to continue with my financing /loan repayments. How do I opt-out of the automatic deferment package?**

A. *You should contact your Account Manager or our Business Advisory Unit latest by 31 March 2020.*

**Q. What would happen to my Loan and Financing repayment after the moratorium period? How does being in the moratorium programme affect my profit / interest after the 6-months period?**

A. *Profit / Interest will continue to accrue on financing / loan repayments that are deferred. This means accumulated repayment amounts during the moratorium period will be added to the outstanding Loan / Financing amount.*

**Q. Is there an increase in monthly repayments or longer tenure?**

A. *You are advised to contact your Account Manager to discuss the suitable workout plan to repay the principal and profit/interest accrued during the moratorium period. This may include higher subsequent instalment amount or an extension of the financing / loan tenure.*

**Q. Does the moratorium programme apply to newly approved / disbursed accounts?**

A. *It applies to all financing / loans outstanding as at 1 April 2020.*

**Q. If I am qualified for the moratorium programme and have a Loan / Financing whose repayment is automatically deducted via standing instruction (SI), can I instruct my bank to stop the SI?**

A. *Yes.*

**Q. If I have Revolving Facilities and Factoring Facility with MIDF, can I apply for the moratorium?**

A. *No. The moratorium programme is for Term and Industrial Hire Purchase / AITAB Facilities only.*