

**JOINT PRESS RELEASE BY THE ASSOCIATION OF BANKS IN MALAYSIA
(ABM) AND ASSOCIATION OF ISLAMIC BANKING AND FINANCIAL
INSTITUTIONS MALAYSIA (AIBIM)**

For Immediate Release

Banks continue to offer repayment assistance to borrowers/customers

KUALA LUMPUR, Sunday, 17 January 2021 - The banking industry stands ready to assist borrowers/customers in light of the reintroduction of the Movement Control Order (MCO) in a number of states and Federal Territories. Banks will continue to extend repayment assistance, including an extension of existing moratorium where applicable, to individuals who have been affected by the current MCO. The banks have also announced an extension of the repayment assistance for victims of the recent floods in several states. Please contact your banks to request for targeted repayment assistance.

The extension will apply to all Targeted Repayment Assistance schemes announced previously. In particular, those borrowers/customers who have lost their jobs in 2020 or 2021 can apply for payment relief for a period of 3 months any time on or before 30 June 2021.

Further, individuals who are still in employment but have experienced a reduction in income due to the pandemic may apply to lower their instalment amount in line with their income reduction. Specifically for those in the M40 group who are recipients of the Bantuan Prihatin National, banks have agreed to allow for self-declarations.

Individuals in the B40 category who are registered in the Bantuan Sara Hidup or Bantuan Prihatin Rakyat database may request for either a 3-month deferment of instalment, or to reduce their instalments by 50% for 6 months.

Microenterprises with loans/financing where the original facility amount is up to RM150,000 may request for either a 3-month deferment of instalment, or to reduce their instalments by 50% for 6 months.

The repayment assistance for B40, M40 and microenterprises are applicable for loans/financing approved before 1 October 2020 and are not in arrears for more than 90 days on the date the request for repayment assistance is submitted to the bank. All other borrowers/customers facing difficulties in making loan/financing repayments are also welcome to contact their banks to discuss suitable repayment assistance packages that meet their specific circumstances.

As at 31 December 2020, over 1.3 million applications for repayment assistance have been received, with an approval rate of 95%. In this regard, given this challenging period, the banking industry would like to encourage borrowers/customers with existing repayment assistance arrangements who have difficulties resuming their regular instalment schedules to approach the banks for further repayment assistance. The acceptance of the targeted repayment assistance during this period will not appear in the borrowers'/customers' CCRIS (Central Credit Reference Information System) report.

Chairman of The Association of Banks in Malaysia and Maybank Group President & CEO Datuk Abdul Farid Alias said: "Banks remain committed to helping our customers who continue to face challenges in the current environment. We are able to customise our financial assistance schemes to the specific circumstances of the borrowers so that they can quickly stabilise their financial situation and focus on other aspects of their lives which may need more pressing attention."

Dato' Adissadikin Ali, the President of Association of Islamic Banking and Financial Institutions Malaysia (AIBIM) and RHB Islamic CEO said: "While we are entering a challenging period, I am confident the country is better prepared and so are both the banking fraternity and public at large. The communication between the affected customers and banks must continue to happen to ensure the benefit for both parties. The payment assistance is still available for those affected."

The banking industry is committed to ensuring an easy and convenient process for borrowers/customers to apply or request for repayment assistance. In most cases, borrowers/customers should be able to apply and complete the application on-line or over the phone. Borrowers/customers may also apply at bank branches, but are advised to check on their respective banks' websites for information on any changes in operating hours or arrangements for over-the-counter services.

For the safety of borrowers/customers and bank employees, banks are operating with heightened vigilance and adherence to the COVID-19 standard operating procedures (SOPs) and would encourage the public to carry out their banking transactions via digital channels where possible.

Members of the public may also inquire on repayment assistance through *ABMConnect* at <https://www.abm.org.my/eabmconnect> or AIBIM via email to staff@aibim.com .

Borrowers/customers who are still facing difficulties after consultation with their banks can contact BNMTELELINK at <https://telelink.bnm.gov.my/> and for information on targeted repayment assistance, please visit https://www.bnm.gov.my/o/covid-19/tra_en.html . Alternatively, borrowers/customers can also seek guidance and explore other options for assistance with AKPK by calling 03-2616 7766.

About The Association of Banks in Malaysia

The Association of Banks in Malaysia (ABM) has 26 members comprising the commercial banks that currently operate in Malaysia. The main objective of ABM is to promote the establishment of a sound banking system in Malaysia in cooperation and consultation with the regulators. Guided by ABM's mission statement, "Forging public understanding for a responsible and responsive banking industry", ABM takes on the role of an important intermediary between banking customers and its member banks. ABM aims to facilitate and create a conducive yet competitive banking environment while promoting orderliness and ethical banking practices. For more information, visit www.abm.org.my .

About The Association of Islamic Banking and Financial Institutions Malaysia

The Association of Islamic Banking and Financial Institutions Malaysia (AIBIM) was established in 1995 as the Association of Interest Free Banking Institutions Malaysia. Currently, AIBIM has 26 member banks consists of 11 domestic banks, 5 development financial institutions and 10 locally incorporated foreign banks. The organisation promotes sound Islamic banking system and practice in Malaysia; represents interest of members locally and abroad; provides advice and assistance to members pertinent in the development on Islamic banking and finance at local, regional and global level; coordinates human capital development initiatives, and promotes public awareness.

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