

## **FREQUENTLY ASKED QUESTIONS (“FAQs”)**

### **1. Who is Yayasan Ihsan Rakyat (“YIR”)?**

YIR is a **foundation with a company registration number 201201017719 (1003231-A)** limited by guarantee and incorporated under the Companies Act 2016. It is **NOT** a co-operative society under the Co-operative Societies Act 1993.

### **2. What are the products offered by YIR?**

We offer unsecured shariah compliant personal financing products exclusively for Malaysian Civil Servants and selected Statutory Bodies or Government Linked Companies (“GLC”) employees. Profit rates of YIR products are calculated based on fixed rates and credit assessment. Our financing products are trusted, fast and fair.

### **3. Am I eligible to apply for YIR financing?**

You are eligible if you fulfil the following conditions:

- a. Malaysian citizen
- b. Working as Malaysian Civil Servants and selected Statutory Bodies or GLC employees.
- c. Aged 20-58. Maximum age for customers who are police officers is 55
- d. Permanent job with at least 6 months of service
- e. Minimum gross monthly income of RM1,500
- f. Not in bankruptcy process and/or a bankrupt
- g. Pass the credit score of YIR

### **4. How can I apply for YIR financing?**

You may download our application form [here](#) or contact our In-House Sales with contact details stated at Q33.

### **5. What are the documents or information required to apply for YIR financing?**

You will be required to provide:

- a. A photocopy of your Malaysian Identification Card (“IC”)
- b. A photocopy of your Police Identification Card, if applicable
- c. Certified true copies of recent 3 months payslips – certified by employer
- d. Recent bank statement (salary account / account to receive financing)
- e. Employment verification letter
- f. Option letter, if applicable
- g. Transfer letter / secondment letter, if applicable
- h. Settlement statement, if applicable

### **6. Do I have to provide other personal information, e.g. credit reports?**

No. However, your consent to provide us access to your credit report is required in order to process your financing application. Your credit information will be used as part of our consideration when offering our financing products.

### **7. Is guarantor or collateral required?**

No guarantor or collateral is required for YIR personal financing.

**8. Are the personal information I provided for my application secured?**

Your personal information is stored securely in accordance with our Terms of Use and Privacy Notice. We keep, protect and process your personal data in a secured manner by maintaining physical, electronic and procedural safeguards in compliance with the laws of Malaysia. In view of the Personal Data Protection Act 2010, we have taken steps to ensure that we are in compliance with the Act. We will, as far as practicable, aim to prevent any unauthorised and/or unlawful processing of, and the accidental loss, destruction or damage to your personal data. Please refer to our website's [Terms & Conditions](#) and [Privacy Notice](#).

**9. How do I amend / update my information after I submitted my application?**

To change or update your information after submitting your application, kindly contact our Marketing Representative facilitating your application, or refer Q33.

**10. Are YIR personal financing products shariah compliant? What is the shariah concept used?**

Yes, YIR personal financing products are shariah compliant, certified by a shariah advisory body.

The shariah concept applicable is Commodity Murabahah via Tawarruq arrangement, whereby customer (through YIR acting as the customer's agent) buys the commodity from YIR on a deferred payment basis and appoints YIR to sell the commodity on the customer's behalf to a third party on a cash and spot basis. The underlying asset in the sale and purchase contract shall be shariah-compliant commodity. The proceeds from the sale of the commodity will be credited into the customer's account during disbursement of the facility.

**11. What is the facility amount and financing tenure that I can apply for?**

Please refer to the following table:

	<b>Permanent staff</b> <i>RM</i>
<b>Min financing amount</b>	West Malaysia: 3,000 East Malaysia: 2,500
<b>Max financing amount</b>	200,000
<b>Financing tenure</b>	1 – 10 years*

*\*Subject to credit assessment.*

**12. What is the profit rate for YIR financing products?**

The profit rate offered may be revised from time to time depending on our latest available products. Currently, our profit rate ranges from 5.99% p.a. to 9.99% p.a., which will be offered to you depending on your credit profile and financial behaviour. The profit rate will remain the same as stated in your agreement throughout the financing tenure.

**13. Is there any cash rebate offered for YIR personal financing applications?**

YIR personal financing applications do not offer any cash rebates, cash back or cash rewards.

**14. Is there any fee or advanced instalment which I need to bear?**

All applicable fees will be deducted upfront from your original financing amount and include but not limited to, processing fee, brokerage fee, stamp duty, administration charges, subscription fee, and Sales and Services Tax ("SST"), where applicable. Advanced instalments of up to 2 months, will be dependent on the product offered to you based on your credit

**14. Is there any fee or advanced instalment which I need to bear? (cont'd)**

profile and financial behaviour and will also be deducted upfront from your original financing amount. No legal fees or payments to third parties will be imposed after you received your financing.

**As these fees are already deducted, you are not required to pay further to anybody else any further fees under any circumstances. Please contact our Customer Service Centre as provided in Q33 if you are asked to pay any additional fees by the Marketing Representative immediately.**

**15. Is there any insurance or Takaful coverage for my financing?**

There is no insurance or Takaful coverage for YIR personal financing products.

**16. What is the net financing amount that I will receive?**

The net financing amount is the amount after netting off all necessary fees and is dependent on the product offered to you. This will be communicated clearly to you for your consideration before your confirmation to proceed with the financing application during the *akad* process.

**17. When and how do I receive my financing?**

Your personal financing application will be processed and disbursed within 48 hours, subject to complete documentation, employer verification and customer confirmation through *akad*. Proceeds will be credited to your account through telegraphic transfer.

**18. What is *akad*?**

*Akad* is an agreement agreed upon by both parties in the process of personal financing. Customers must understand the questions and / or confirmations enquired during the *akad* process and provide the appropriate response. All conversations during the *akad* process will be recorded.

**19. Will I be notified once my application is approved / rejected / cancelled?**

We will contact you for customer confirmation and verification (*akad*) during our application processing. You will be notified via email once your financing is transferred to your account after your application is approved. For this reason, your email must be provided.

Kindly note that YIR reserves the right of termination as detailed in Q21 below.

To receive an update on your current application status, kindly contact the Marketing Representative facilitating your application.

**20. How do I withdraw or cancel my application?**

You reserve the right to withdraw or cancel the financing facility at any time subject to the following:

**i. Before financing is disbursed**

You may withdraw your application by declining the offer and stating your desire to do so during the *akad* process. Otherwise, please contact the Marketing Representative facilitating your application.

**20. How do I withdraw or cancel my application? (cont'd)**

**ii. After financing is disbursed**

You may cancel your application as below:

- **Within 14 days from the date of the letter of offer and proceeds from the sale of commodity have been disbursed,**
  - a. the full financing amount disbursed must be returned to YIR;
  - b. a cancellation fee of RM250 will be charged; and
  - c. any tax on fees and charges previously paid and passed to the relevant authorities will be absorbed by you.
  
- **Within 15 to 30 days from the date of the letter of offer and proceeds from the sale of commodity have been disbursed,**
  - a. the full financing amount disbursed must be returned to YIR;
  - b. a cancellation fee of RM250 plus 30 days of profit on the financing amount will be charged; and
  - c. any tax on fees and charges previously paid and passed on to the relevant authorities will be absorbed by you.
  
- **After 30 days from the date of the letter of offer and proceeds from the sale of commodity have been disbursed,** cancellation will constitute an early settlement. You will be required to pay the Outstanding Sale Price. Any rebates (Ibra') which will be used to offset the Outstanding Sale Price is at YIR's sole discretion. Please refer Q27 for rebate (Ibra') calculation.

**21. Why is my application rejected/facility terminated?**

**a. Rejected applications before financing is disbursed**

Applications which do not meet the requirements as listed in Q3 may be disqualified. Your application may also be rejected depending on your credit profile, current financial situation and commitment.

**b. Terminated facilities after financing is disbursed**

YIR reserves the right to terminate disbursed facilities and accelerate payment of the facility and/or demand full payment within fourteen (14) days of written notice if any of the following events occur:

- Default in paying any instalments or payments and/or other monies when due and payable
- Presentation of a bankruptcy petition against the customer
- If the customer has become mentally unsound or deceased
- If any information provided by the customer is proven to be incorrect or misleading or contain material omission of facts
- If in the absolute opinion of YIR, the facility has not been operated satisfactorily
- If legal proceedings, suit for action of any kind whatsoever be instituted against the customer

**22. How do I service my monthly instalment?**

You must ensure your monthly instalments are paid on a monthly basis which are done via Salary Deduction Scheme. Repayments will be done via *Direct Debit* or standing instruction if the salary deduction is not activated or is deactivated. You are also responsible to provide a written notice to YIR if there are any changes to your salary account / account specified in the Direct Debit Authorisation Form, to update their account details with YIR and by signing a new Direct Debit Authorisation Form.

**23. Why is there a difference between the monthly instalment stated in the Commodity Sale Agreement (*Perjanjian Jualan Komoditi*) and my payslip?**

The difference comprises of charges imposed by Accountant General, the party processing the salary deduction, and SST.

**24. How is the monthly instalment calculated?**

The monthly instalment calculation formula is as follows:

$$\text{Monthly instalment}^* = \frac{(P \times I \times N)}{n} + P$$

P	= Facility Amount
I	= Profit Rate per Annum
N	= Tenure in Years
n	= Tenure in Months

*\*Excluding 2.12% collection fee.*

**25. What if I overpaid my instalments for this month?**

All excess payments will be treated as prepayment and used to offset gross balance or amounts overdue. Prepayment does not amount to advance instalment and will not lower the profit payments and/or future instalment amounts. Repayment of the original instalment amount will still be required the following month.

**26. When does my repayment begin?**

Your financing repayment will be reflected in the payslip 1 month after you receive your financing proceeds. For example, your repayment will begin in April 2021's payslip upon receiving your financing proceeds in March 2021.

**27. Can I pay off my personal financing earlier? What is the procedure?**

Yes, early settlement of your financing is allowed in 2 easy steps.

**a. Get your Early Settlement Statement ("ESS")**

You will need to request for an ESS before paying off your personal financing. To get an ESS:

- Print out Customer Service Request Form ("CSRF") available [here](#).
- Email the complete CSRF with signature, copy of NRIC (front and back) and bank statement/passbook to [pertanyaan@yir.com.my](mailto:pertanyaan@yir.com.my).

ESS processing period is three weeks from the date the complete application is received.

**27. Can I pay off my personal financing earlier? What is the procedure?**

**b. Pay off and settle your account**

After receiving your ESS, you may proceed to pay off your outstanding financing based on the total amount advised in the statement. Mode of payment for early settlement may be revised from time to time. Please refer to the ESS for the mode of payment.

Rebates (*Ibra'*) for early settlement will be at our full discretion, subject to existing internal policies and calculated as follows:

Rebate (*Ibra'*) = Unearned Profit x Internal Policy Rate

Rebates shall be reflected as a reduction in the unearned profit element of the financing facility, and not in cash payable to you. As such, the settlement amount is calculated as follows:

Settlement amount = Outstanding Selling Price – Rebate (*Ibra'*)

**28. Can I request to increase or reduce my financing tenure?**

No, increasing or reducing your financing tenure is not allowed. The financing tenure is fixed upon approval of the facility.

**29. What are the implications if I fail to fulfil my obligations?**

Should you fail to service your payment obligation in a timely matter, the following Late Payment Charges (“LPC”) shall apply:

**a. During Facility Tenure**

LPC of 1.0% per year on the outstanding instalment amount will be imposed.

Formula = 
$$\frac{\text{Outstanding Instalment Amount} \times 1\% \times \text{No. of overdue day(s)}}{365 \text{ days}}$$

**b. After Maturity of Facility Tenure**

LPC shall be charged based on the prevailing Islamic Interbank Money Market (“IIMM”) rate on the outstanding balance of the YIR Sale Price until full payment of the YIR Sale Price. The amount of LPC charged to you will not be compounded to the outstanding balance of the YIR Sale Price

Formula =

Formula = 
$$\frac{\text{Outstanding Sale Price (less Ibra'/rebate)} \times \text{Prevailing IIMM}\% \times \text{No. of overdue day(s)}}{365 \text{ days}}$$

**29. What are the implications if I fail to fulfil my obligations? (cont'd)**

**c. Default Payment**

In the event of default (non-payment) on one (1) or more monthly instalment payments, legal action will be taken if you fail to respond to the reminder notices.

**d. Right to Offset Amount Overdue**

If you have any amount overdue in any other financing with YIR, YIR has the right to offset the amount overdue from the new financing amount before it is disbursed to you.

YIR reserves the right to take legal action and all costs incurred will be borne by you. Legal action against you may affect your credit rating and leading to credit being more difficult or expensive to you.

**30. Can I apply for more than one account under YIR Personal Financing?**

Yes, you can apply for YIR personal financing more than once subject to successful salary deduction activation of your previous account.

**31. Can I request for profit rate reduction?**


No, profit rates are fixed at the approval stage, depending on the credit assessment and salary deduction eligibility.

**32. Can I request YIR to disburse the facility amount to pay my other financing facility, e.g., credit card or personal financing consolidation?**

Yes, you can. You may inform us at the point of application and provide us the documents required for further arrangement.

**33. Where can I get assistance and redress?**

If you have any difficulties in meeting your payment obligations and/or wish to complain on the products or services provided by us, you may contact us at:

In-House Sales	: 03-4047 0827
Customer Service Centre	: 03-4047 0888
Operation Hours	: Monday-Friday, 8.00 am – 6.00 pm (excluding Public Holiday)
E-mail	: <a href="mailto:pertanyaan@yir.com.my">pertanyaan@yir.com.my</a>
Website	: <a href="http://www.yir.com.my">www.yir.com.my</a>
	: PortalRasmiYIR