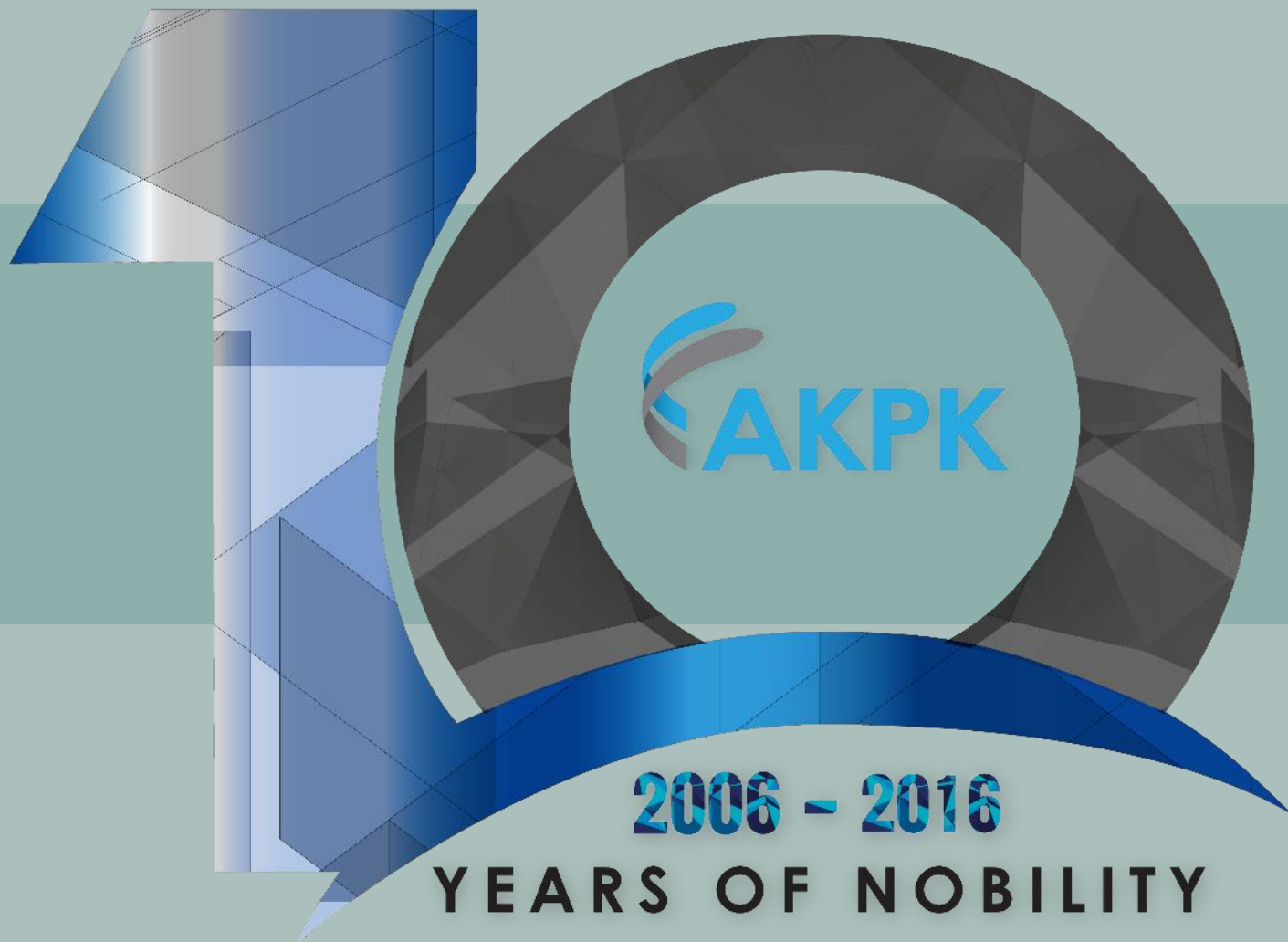




POWER!

TERTIARY

PRUDENT FINANCIAL MANAGEMENT



2006 - 2016

YEARS OF NOBILITY

Trainer's Profile

Desmond Chong , Trainer & Head of Outreach



Conducted more than 500 seminars
(English and Mandarin)

Attended more than 100 interviews

TV (NTV 7, Astro, 8TV, TV 2)

Radio (988FM, AiFM, MyFM, Melody FM),

Newspaper (Sinchew Daily, Nanyang Daily,
Guang Ming Daily, China Press, NST)

Magazine (Money Compass, The
Entrepreneur, Life Post and Life Magazine,
Busy Weekly)

Business experience : Deputy General
Manager for PLC

Financial Planning : Registered Financial
Planner (RFP) and Sharial Financial Planner
Certified Financial Planner (CFP)

Doctorate in Business Administration

Master of Arts in Marketing

Association of Business Association



AKPK's Financial Education

AKPK developed special program by aiming to all life level start from youth in higher learning center until to senior citizen level in pass over their retirement age in order to enhance comprehension level effectively in managing their finances

Organisation:

- Increasing productivity
- Low work absence
- Employee that is proactive

Attitude Change:

- Making budget and monitoring
- Improving reserve
- Knowing when wanted making correct decision

Value

- Straight about own financial management and ready to do change

Our objective is to create society that is wise financially

Agenda Program



Segment 1

- ✓ Cash Flow Management
- ✓ Borrowing Basic
- ✓ Managing Debt



Segment 2

- ✓ Risk Management
- ✓ Insurance
- ✓ Investment



Segment 3

- ✓ E Payment
- ✓ Credit Card
- ✓ Buying Car
- ✓ Buying Houses

Statistics

Type of cases	Cumulative Total
Counselling	515,648
Of which; DMP	169,524

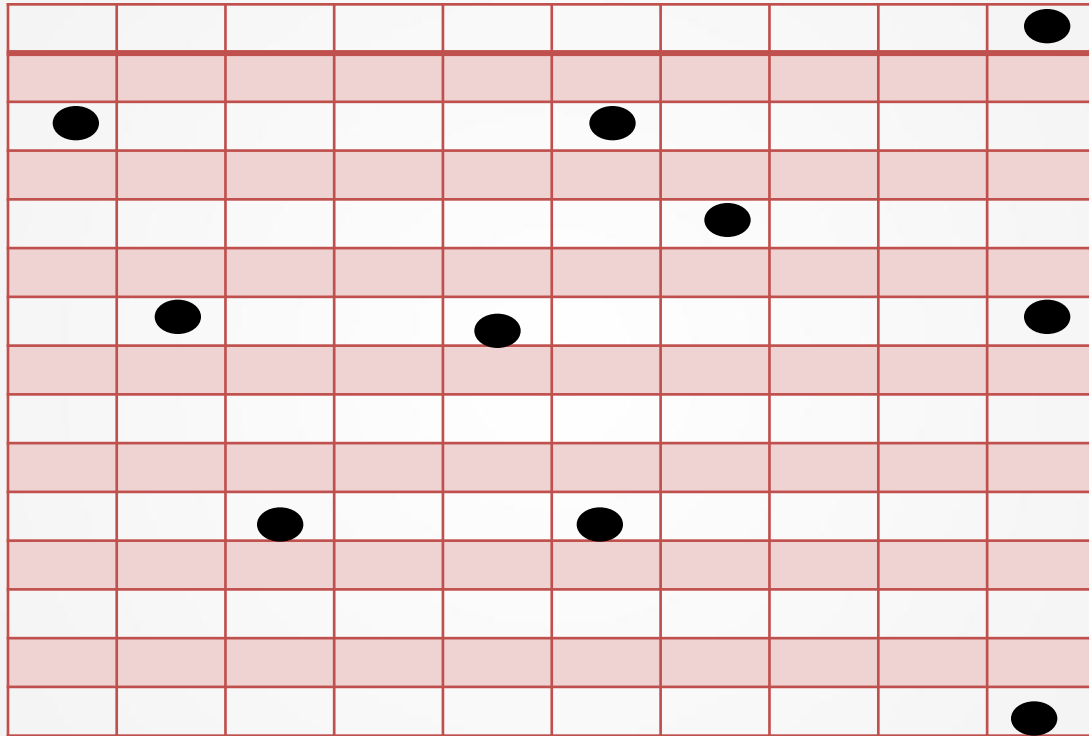
LIFE CYCLE



Cash Flow Management

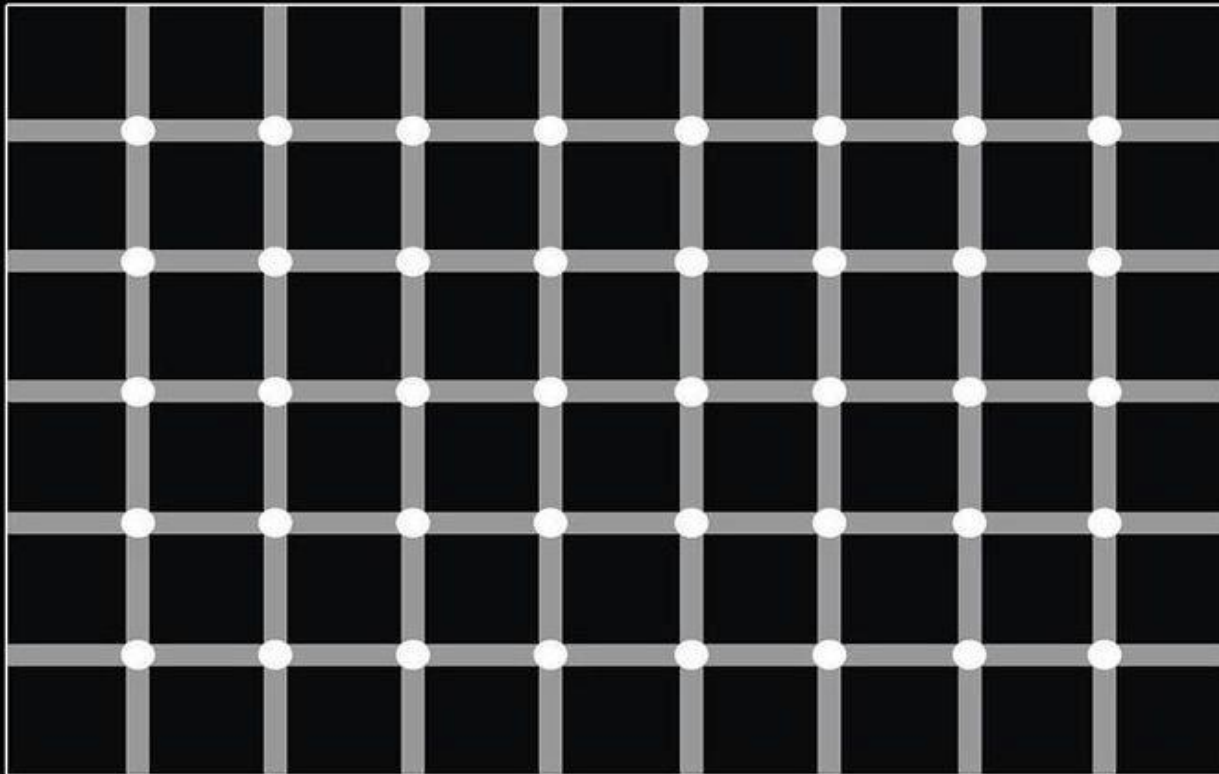


HOW MANY?



PLEASE COUNT THE BLACK DOT

HOW MANY NOW?



GO AHEAD

count the black dots

NEED AND WANT



SIMPLE AND EASY





ASTRO ALSO NEED

ASTRO ON
"THE MOVE"



I WANT!





I WILL



**Hello Dad.. your wife still
beating me i dont wanna
live with her any more....!**

LIVING WITHIN MEAN



EXAMPLE



1970-
2000
传奇皮
包，伴
随女王
30年。
(可能
现在还
在用)

NO BUDGET



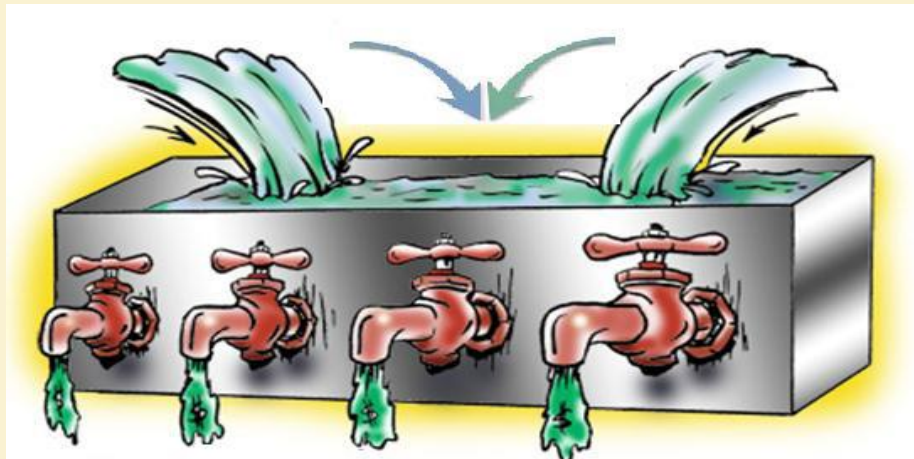
NOT AS PLANNED



Cash Flow Management

Active Income

Passive Income



Discretionary Expenses



Fixed Expenses

Variable Expenses

Example Of Cash Flow Statement



Items	Budget (RM)	Actual (RM)
Income (after EPF, SOCSO and tax/zakat)	2,450	2,450
Other Income (Tuition/Part Time Job)	500	500
Total Income	2,950	2,950
- (10%) Savings	295	295
Net Income after savings	2,655	2,655
Fixed Expenses		
Room Rent / House	550	550
Vehicle	700	700
PTPTN	350	350
Total of Fixed Expenses	1,600	1,600
Balance 1 (Net Income after savings - Total of Fixed Expenses)	1,055	1,055
Variable Expenses		
Household	450	500
Utilities	300	355
Entertainment (Cinema/ "Mamak")	150	195
Others	100	150
Total of Variable Expenses	900	1200
Total of Balance	155	(145)

SURPLUS : RM 410

- RENT :RM 450
- WATER/ELECTRIC BILL :RM 140
- TOLL :RM 50
- PETROL :RM 150
- TELEPHONE BILL : RM 150
- ENTERTAINMENT : RM 400
- CAR :RM 1000
- INSURANCE :RM 400
- PARENTS :RM 300
- SAVINGS: RM 750
- FOOD : RM 800



**Anne (30)
Insurance Agent:
RM 5000**

deficit : (RM215)

- RENT :RM 500
- WATER/ELECTRIC BILL :RM 100
- TOLL :RM 0
- PETROL :RM 0
- TELEPHONE BILL : RM 150
- ENTERTAINMENT : RM 200
- CAR :RM 600
- INSURANCE :RM 140
- PARENTS :RM 400
- SAVINGS: RM 500
- FOOD : RM625



**Adrian (25)
Film Producer:
RM 3,000**

deficit : (RM200)

- RENT : RM 0
- WATER/ELECTRIC BILL :RM 0
- TOLL :RM 200
- PETROL :RM 300
- TELEPHONE BILL: RM 100
- ENTERTAINMENT : RM 200
- CAR :RM 600
- INSURANCE :RM 0
- PARENTS :RM 200
- SAVINGS: RM 500
- FOOD :RM300



**Atiya (25)
Banker :RM 2500**

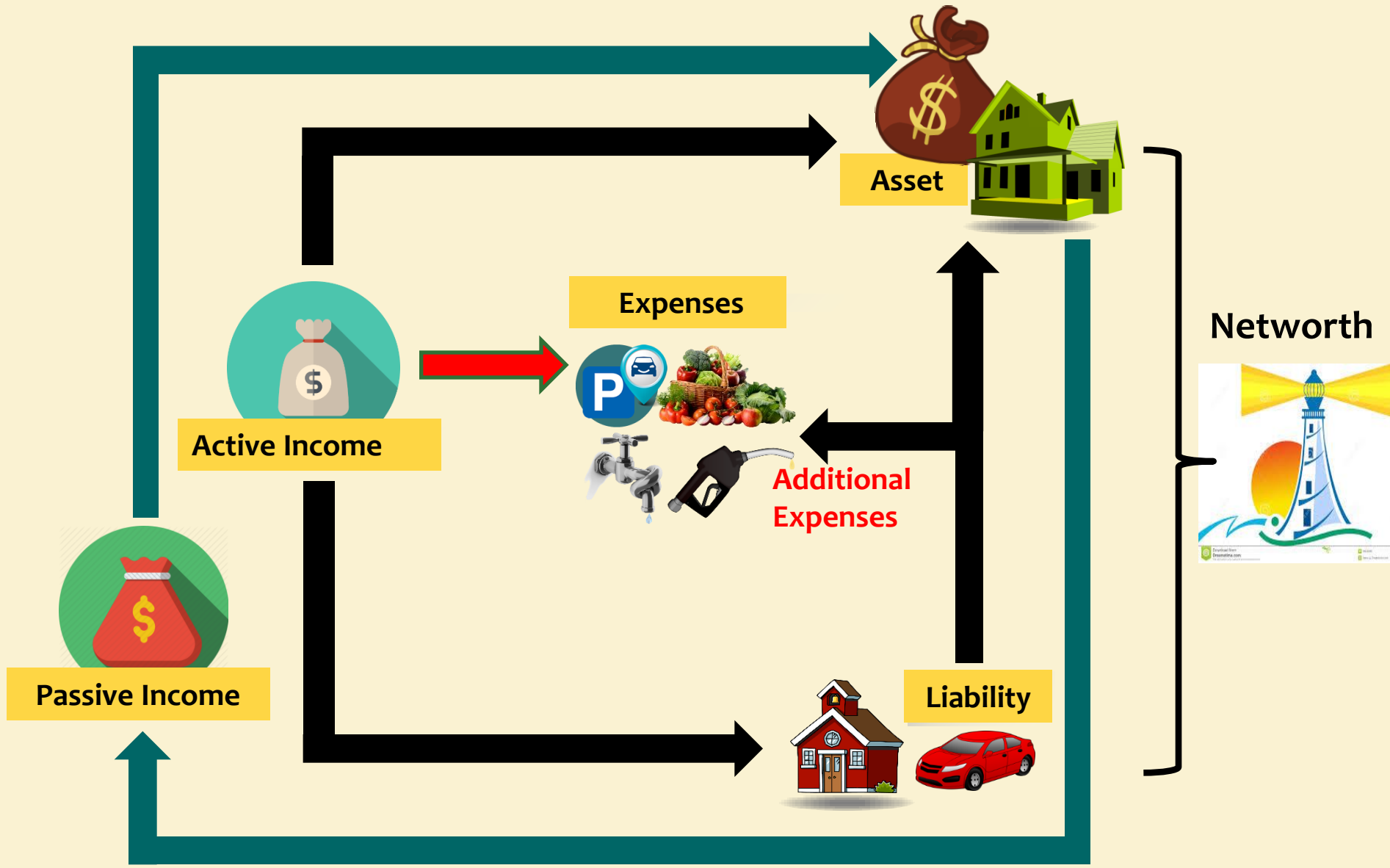
SURPLUS : RM330

- RENT :RM 0
- WATER/ELECTRIC BILL :RM 0
- TOLL :RM 200
- PETROL :RM 800
- TELEPHONE BILL : RM 100
- ENTERTAINMENT: RM 300
- CAR :RM 0
- INSURANCE :RM 250
- PARENTS :RM 100
- SAVINGS: RM 500
- FOOD :RM 420



**Fajrin (26)
Gym Coach
:RM 3000**

Cash Flow - Healthy



Benefits of Having a Budget

Enhance
Net Worth



Live Within
Your Mean



Save For Financial
Emergencies



Cultivate A
Savings Habit



To meet expectations?

Lets watch!



Borrowing Basics



Borrowing Basics

What **YOU**
need to Look at ?

For productive
purpose only

**WITHIN Your
MEANS**

**MORAL commitment
(Pay back)**

Purpose of
borrowing

Payment ability
& suitability

Payment
history

What Do **Banks**
Look At?

To asses the risks

Evaluate cash flow
position & debt to income
ratio & types of facility

Evaluate past track
record on repayments
of existing loans

Sample of CCRIS Report

Kapasti	Pemberi Pinjaman	Cawangan	Kemudahan	Nombor Akaun/Permohonan	Jumlah Baki Belum Jelas (RM)	Tarikh Dikemas kini	Had (RM)	Jenis Cagaran	Tema Pembayaran Balik Prinsipal	Ansuran Tertunggak Sepanjang 12 Bulan yang Lalu												Status Tindakan Undang-undang	Tarikh Status Dikemas kini	
										2014											2013			
										Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct			
Sendiri	HSBC BANK	14016		4921599002703			5,800.00																	
			Kad Kredit	4921599002703	4,284	31/8/2014			Bulanan	0	0	0	0	0	0	0	0	0	0	0	0	0		
Sendiri	CIMB BANK	14003		001000063013002			11,000.00																	
			Kad Kredit	5400070602913	8,338	31/8/2014			Bulanan	0														
			Kad Kredit	5471267500188	0	31/8/2014			Bulanan	0	0	0	0	0	0	0	0	0	0	0	0	0		
Sendiri	AISL	14208		00014248100650			40,000																	
			Pembelian Kenderaan Persendirian	00014248100650	24,815	31/8/2014		30	Bulanan	0	2	1	1	1	1	1	1	1	1	1	2	1		
Sendiri	AMANAHAH	06023		364064402LNS			9,000																	
			Pembiayaan/Pinjaman Peribadi	064008824060AP	2,823	31/8/2014		00	Bulanan	2	2	1	1	1	1	1	0	1	0	0	0			
Sendiri	HLBANK	14030		1B630130025			5,000.00																	
			Kad Kredit	2207082017	2,596	31/8/2014		00	Bulanan	2	2	1	1	0	2	3	2	2	1	0				

Akaun Di Bawah Pemerhatian Khas

Tiada rekod Akaun Di Bawah Pemerhatian Khas dalam fail-fail...

Permohonan Untuk Kredit

Tiada rekod permohonan untuk kredit dalam fail-fail...

Debt to Income Ratio

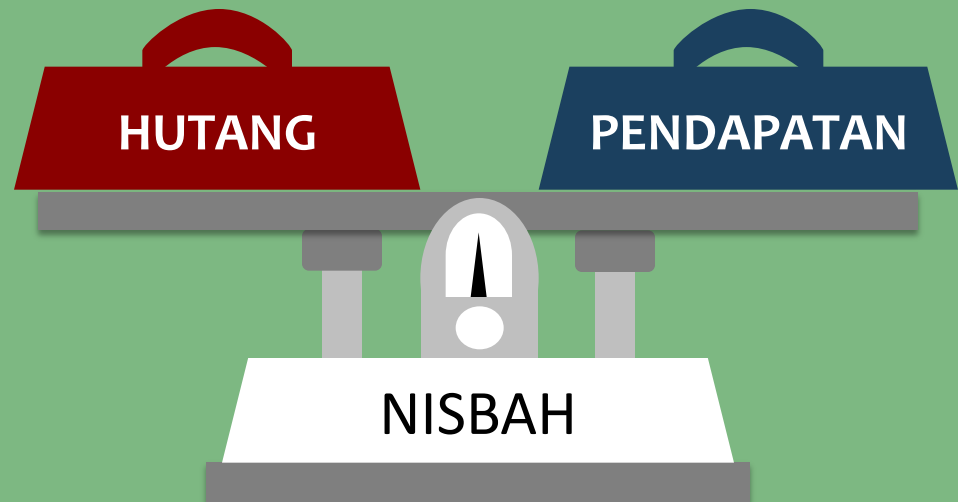
❖ **Ratio = $\frac{\text{Monthly Repayments}}{\text{Net Income}} \times 100$**

❖ Farid is a young graduate with a net salary of RM2250. He pays hire purchase loan RM650, education loan RM250 and his mobile phone contract loan package RM150.

❖ How much is his Debt to Income Ratio?

= $\frac{\text{RM1,050} \times 100\%}{\text{RM2,250}}$

= 47%



Comparison

Loan Amount : RM45,000

Rate : 5%

Tenure : 5 Years

Installment : RM938

Total Interest : RM11,250

Loan Amount : RM45,000

Rate : 5%

Tenure : 5 Years

Installment : RM849

Total Interest : RM5,950

Flat Rate

Fixed Rate

Buying A Car



Calculation on Instalment



- Car Price = RM50,000
- Downpayment@ 10% = RM5,000
- Loan Amount = RM45,000
- Interest Rate(Flat Rate) = 3.5%
- Tenure = 5 tahun (60 bulan)



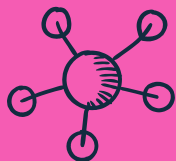
Total Interest

$$\begin{aligned} &= \text{Loan amount} \times \text{Rate} \times \text{Tenure} \\ &= \text{RM}45,000 \times 3.5\% \times 5 \\ &= \text{RM}7,875 \end{aligned}$$



Total Loan + Interest

$$\begin{aligned} &= \text{RM}45,000 + \text{RM} 7,875 \\ &= \text{RM}52,875 \end{aligned}$$



Monthly Installment

$$\begin{aligned} &= \text{Total Loan} \div \text{Years in months} \\ &= \text{RM}52,875 \div 60 \text{ months (5 years)} \\ &= \text{RM}881 \end{aligned}$$

Actual Cost on Car Ownership



Fixed Cost		RM/ Monthly	Notes
1	Installment (round figure)	881	RM45,000 at 3.5% for 5 years
2	Insurance	125	RM1,500 p.a. ÷ 12 month
3	Road Tax	8	RM90 p.a. ÷ 12 month
Total		1,014	

Variable Cost		RM/ Monthly	Notes
1	Petrol	250	Estimated
2	Service & Maintenance	150	Estimated
3	Parking/ Toll & etc	100	Estimated
Total		500	
Grand Total		1,514	

Early Settlements

Check the following!

- Your redemption amount(a)
- Market value of your car (b)
- The difference (a) & (b)
- Any penalty for early settlement
- Warning:**
 - ✓ Settle your HP loan
 - ✓ Do not allow another person to take over your HP loan



*Note: Risk on continue paying “Sambung Bayar”
“The vehicle is not yours until the changes of the name has
been done”*

Two 3D white figures are shaking hands. The figure on the left is wearing a blue tie and holding a black briefcase. The figure on the right is wearing a black tie. They are standing on a light-colored circular base.

Being a Guarantor

Guarantee is risky for guarantor

1

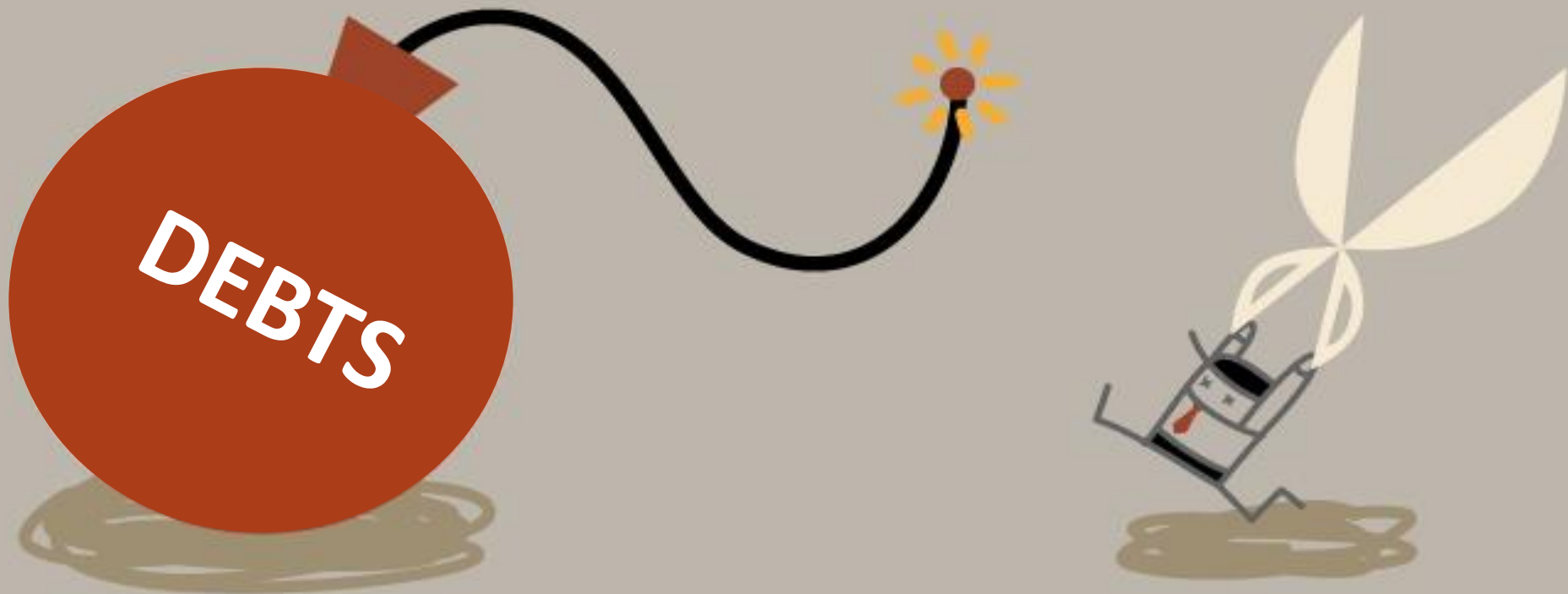
**Responsible for unpaid portion of loan,
including interest**

2

**Think first before agreeing to be a
guarantor!**

3

Managing Debts



Marriage & Debts

..... After getting married...always discuss.....

1

Plan your budget

2

Be open with your partner

3

Shared responsibility

4

Merging of Finance



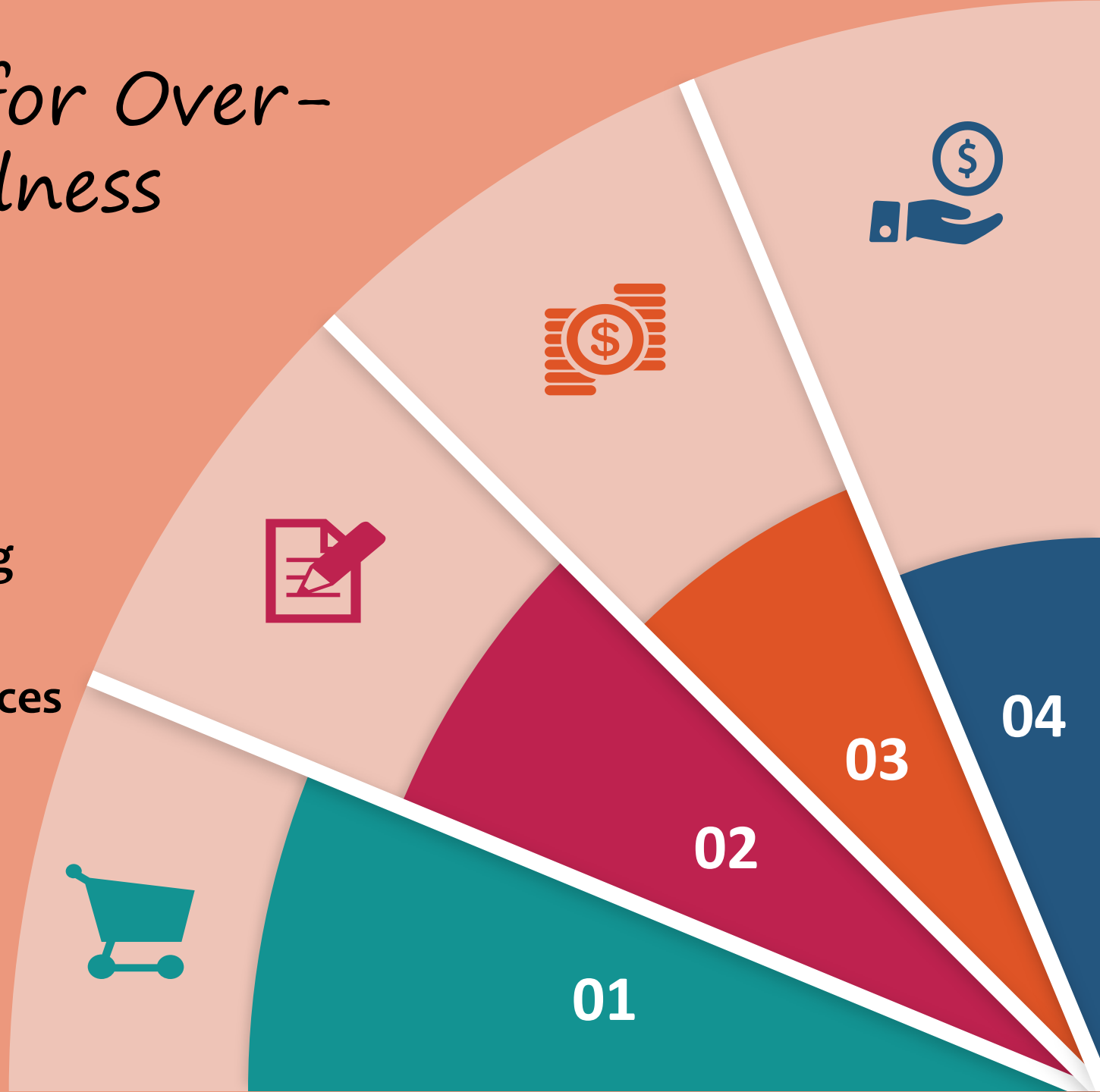
Reason for Over-Indebtedness

 Lifestyle

 No Planning

 Circumstances

 Greed



Legal action for
debt recovery

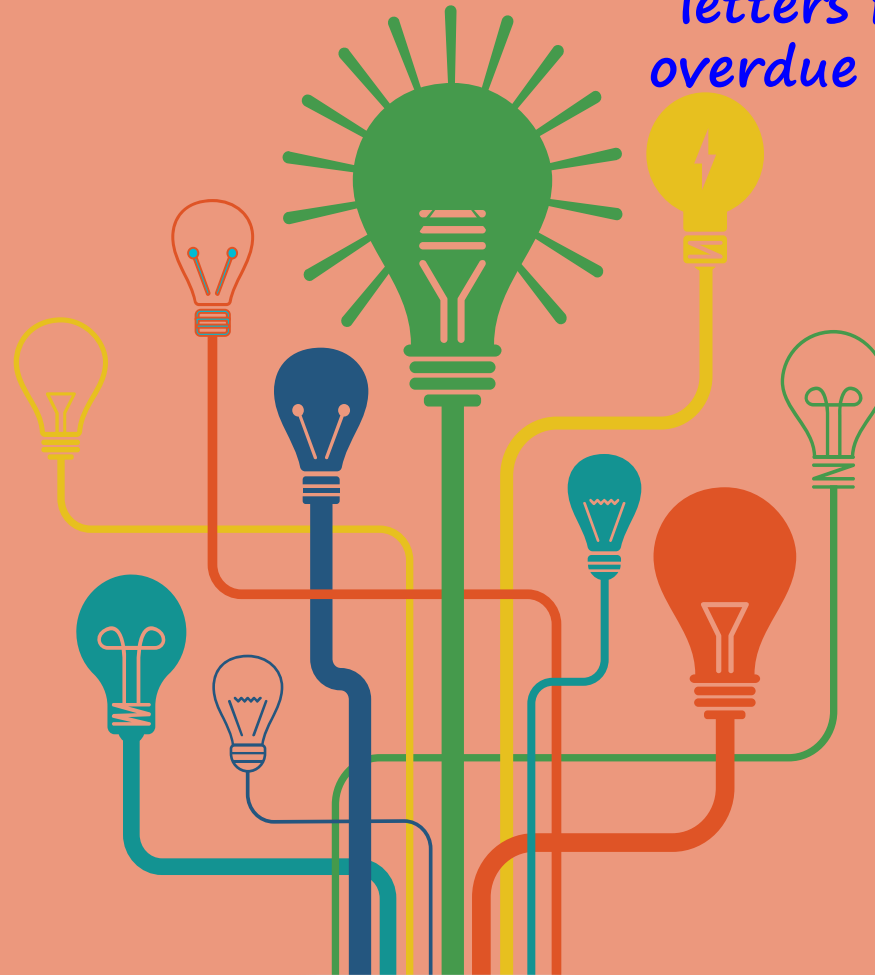
Creditors calling
or reminder
letters for
overdue bills

You are close
to, or surpass
your credit
card limit

Loan repayments
-more than 60%

Borrow to
make payment
on your
existing loans

Not enough for
spending



Signs of Financial Difficulties

Recovery Actions Taken by FIs:

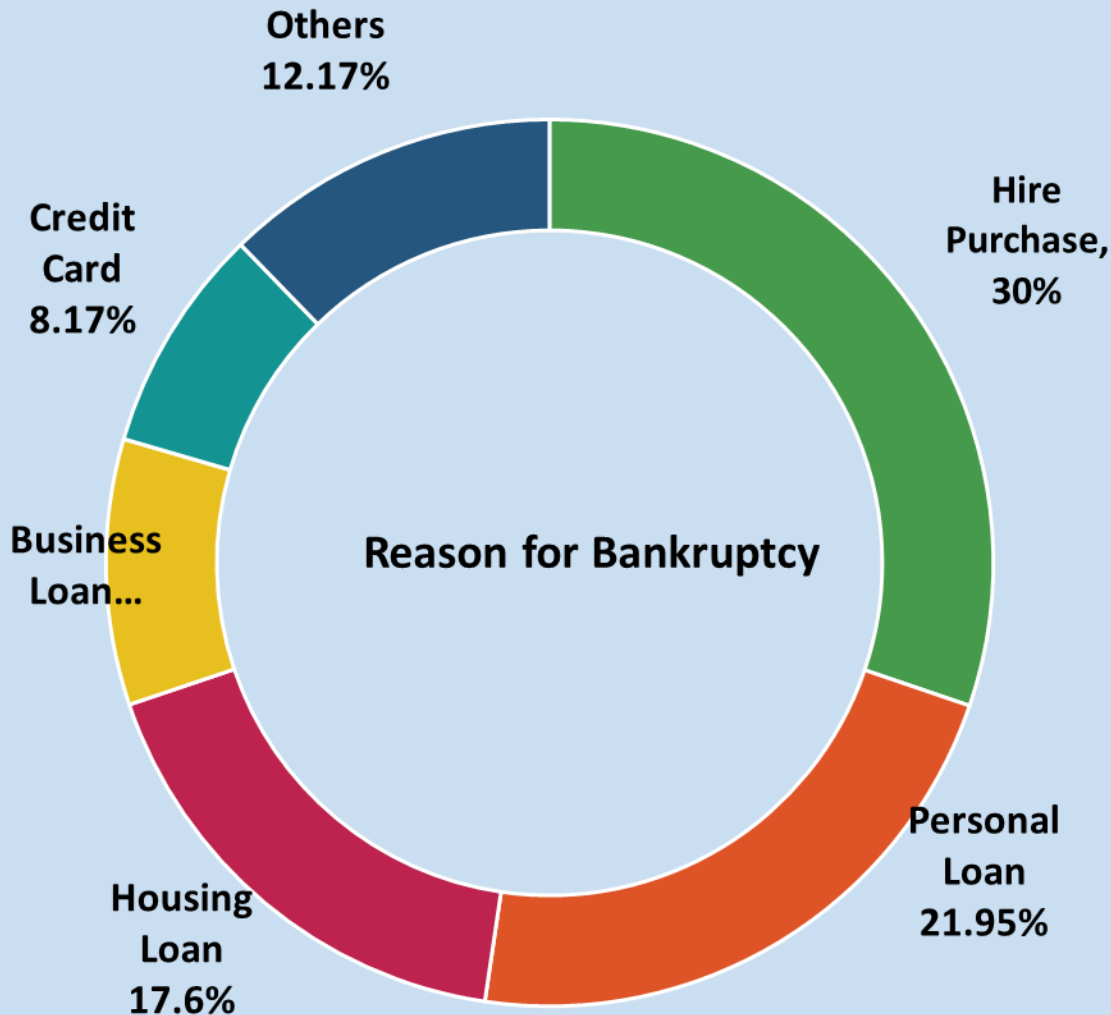
Failure in Managing Debts

1. Notice from FI – telephone calls or reminder notice
2. Legal Notices
3. Summons and Statement of Claim
4. Mention
5. Judgement
6. Execution of Judgement
 - Writ of Seizure & Sale (WSS)
 - Judgment Debtor Summons (JDS)
 - Garnishee Order
 - Bankruptcy action



AUCTION

Bankruptcy



Reasons



**Economy
Crisis**
28.53%

**Weak
Management**
26.18%



Don't Know
19.27%

Jobless
12.71%



Others
13.31%

St. John's Workshop

Don't see everyone's flaws.
Don't listen to everything you're told.
Don't speak if it's not kind.



Always look for the good in others.
Avoid gossip and communication that puts others down.
Speak words that edify and encourage with love.

A good man out of the good treasure of the heart bringeth forth good things

Matthew 12:35

MY LOAN BURDEN





It's not funny
When your next

ROMANTIC STORY



REALITY



REALITY SUCKS.
utopolis.be

UTOPOLIS
group of cinemas

Investments



Why Invest?



Protect against inflation

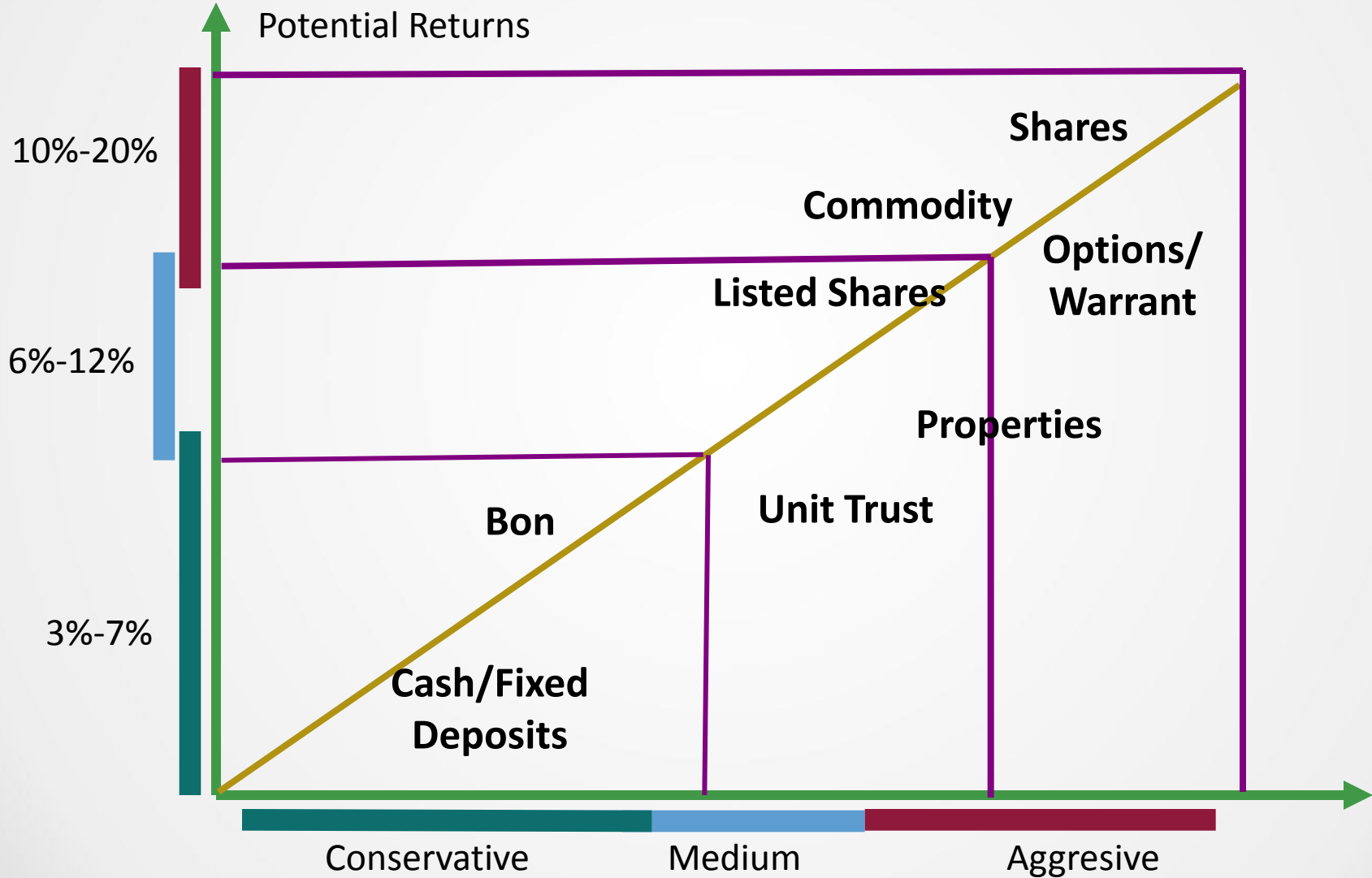


Enhanced Returns



Life Aspirations

Types of Investments



Financial Scams

BEWARE! GET RICH QUICK SCHEME

Promise high return with little or no risk

Ask victims to:

- ✓ sign up immediately (the offer is for limited period)
- ✓ provide confidential information
- ✓ place deposits as processing & administrative fees
- ✓ Scheme is in another country (cannot check on its status)

26 NATION THE STAR, SATURDAY 18 AUGUST 2012

Online love scam ring busted

Drugs also found as police raid syndicate that preys on women

By NICHOLAS CHENG
n.cheng@thestar.com.my

KUALA LUMPUR: A syndicate that operates in online love scams resulted in the seizure of a large amount of cash and drugs as police raided an apartment in Bukit Mandara, Cheras.

Police confiscated 10 bank cards, six passbooks believed to be of the suspects' car.

Four notebook computers and six mobile phones were also recovered during the operation at 10.30am on Tuesday.

Three Nigerian men, another from Seattle and Malaysian women aged 19 to 32 were arrested.

Their mobile operators' invoices arising the trust of females online, before asking them to bank in money to a Malaysian woman's account in order to pay for the "tax" a parcel that they claim has been detained by the Malaysian Customs.

The consues would say the parcel contains lots of cash, and would then promise the girls a share of the cash as a reward.

Investigations into the syndicate began in April after a 21-year-old college student was duped of RM1,630.

She had reportedly befriended a British man named Richard Kicke on Facebook in January and fallen in love with the online Casanova.

"On April 19, one of the suspects contacted the victim, saying he was planning to visit her.

"He called her again the next day, claiming he had arrived but was held up at the airport for bringing in a parcel containing US\$48,000 (RM135,000).

"He said he would give her some of the money if she banked in the love with the online Casanova.

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"He said he would give her some of the money if she banked in the love with the online Casanova.

Beware of fake investment plan

Conman hires single mums to lure investors

AN "investment" scheme which preys on single mothers and widows to lure investors with promises of high returns is making the rounds, reported Merry Alan.

The scheme, masterminded by a man in his 20s, has lured more than 500 people with investments of about RM2,000 this far.

It was reported that individuals needed to pay only RM1,500 for a long-term investment plan of them, lured by greed, invested between RM2,000 and RM5,000.

The man, mostly hired widows and single mothers to elicit sympathy and entice people to invest in the scheme.

Although it was introduced just a few months ago, the man is believed to have amassed a lot of money, enabling him to live in luxury and own a number of supercars.

Based on advertisements on social media sites such as Facebook, the scheme promised a return of RM500 in two days with every RM100 invested.

There were also other forms of investments on the schemes offered to the investors.

A 26-year-old woman known as Razzi, 22, said she lost RM2,000.

"I was in a study loan money, which was made for the whole semester, in hopes of multiplying my returns.

"I bank the three-day investment scheme and was promised a return of RM500,000 but after nine days, I did not get any reply from the man," said Razzi.

"An 87-year-old man who was trapped in a 2m-deep drain for four days was rescued by a team from the Kuala Kangsar Civil Defence Department, reported Kowal.

Sharif said his injury started on Tuesday when his motorcycle landed in the drain about 40m from his home.

In the four days, Sharif said he had to resist hunger and only drink the water that dripped from the sides of the drain.

"I tried to get up but couldn't due to the fall in my hand," said Sharif.

He said he was becoming weak and almost gave up hope when he suddenly heard his name being called by someone.

"I stumbled as I was in a possible and was rescued," he said.

Kuala Kangsar OCPD Asst Comm Charlan Salleh said Sharif lived alone at his wife stayed on top with their children.

"He was sent to the Kuala Kangsar Hospital due to exhaustion after being trapped for four days. However, his injuries are not serious," he said.

24 world
The Star, Monday, January 31, 2012

8,000 fall for get-rich scam in Malaysia

They invested in firm that claimed to be a joint operator and offered 500% returns

The investment firm that claimed to be a joint operator and offered 500% returns has been exposed as a scam, according to a report by the Malaysian Securities Commission (SC).

The SC said that it has received reports from investors who have lost their money to the firm, which is based in Singapore.

The firm, which is known as the "get-rich" scheme, has been operating for several years and has managed to attract a large number of investors.

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FOREX SCAMS IN MALAYSIA

- **Forex Scams in Malaysia** are becoming more and more rampant these days in Malaysia.
- There have been a sharp increase in stories of so-called authorized forex trading companies setting up operations here. And they normally operate in a smooth way, setting up their own agents who recruit innocent people to trade in foreign exchange. The "gurus" who act as mentors to these people are also part of the company - showing great, short term results, often showing off their "profits" in trading and telling success stories to everyone who care to listen (and eventually fall for these scams).
- Part of their modus operandi is:
- Setting up own servers that are fully controlled by themselves to trick investors into believing they are achieving great results based on mentoring from insider-cum-gurus
- Making these investors believe they are fast-learners and potential high-achievers by giving out initial payments as profits from their initial short-term investment and trading
- Luring them into increasing their investments either by persuading them to part with more money or arrange for them to borrow or get more interested customers
- Eventually by using their own forex servers - manipulate the trading outcomes into losses for the investors who were early high-achievers

GET RICH QUICK SCHEMES



WHERE TO CHECK ?



BNM LINK

Ground Floor, D Block,
Jalan Dato' Onn
50480 Kuala Lumpur

Tel: **1-300-88-5465**
(1-800-88-LINK)

Fax: **+603-2174 1515**

Email:

bnmtelelink@bnm.gov.my



KPDNKK

No 13 Persiaran Perdana
Presint 2, 62623 Putrajaya

Hotline: **1-800-886-800**

Tel: **603-8000 8000**

Fax: **+603-8882 5983**

Email:

e-aduan@kpdnkk.gov.my



SC

No 3 Persiaran Kiara
Bukit Kiara
50490 Kuala Lumpur

Tel: **603-6204 8999**

Fax: **+603-6204 8991**

Email:

aduan@seccom.com.my

BEWARE FINANCIAL SCAM



WE NOT LISTEN!



SIGN



PACKAGE WELL



INTERMEDIARY



Having Unmanageable Debts

- ❖ **Acknowledge** that you have a problem

Face the reality.....

- ❖ **Analyse** your situation to assess your financial standing

Discuss with family members

- ❖ **Act** by taking immediate corrective action

Discuss for restructure/refinance with credit providers

- ❖ **AKPK's** assistance in managing your debts





Agensi Kaunseling dan Pengurusan Kredit

- ❖ Set up by BNM to equip individuals with good money management skills & manageable debts
- ❖ Vision *“Make Prudent Financial Management a Way of Life”*
- ❖ Services offered **free of charge**:
 - Financial Education Programme
 - Financial Counseling & Advice
 - Debt Management Programme





“It’s not how much
you earn but how
you manage what
you earn!!!!”

“Let’s begin now”!



Thank You
03-26167766
#askakpk
www.akpk.org.my

