

HRD CORP INTEREST WAIVER CAMPAIGN

Frequently Asked Questions (FAQ)

This FAQ consolidates all information issued to date on the HRD Corp Interest Waiver Campaign to help employers understand the campaign's purpose, check their eligibility, calculate their potential arrears and interest payments, and know exactly how to apply. It is organised into the following sections:

- Section 1 — About the Campaign & HRD Corp Levy Basics
- Section 2 — Eligibility
- Section 3 — At a Glance: Settlement Options
- Section 4 — Interest Calculation & Waiver Tiers
- Section 5 — Existing Instalment Plans (Not Eligible)
- Section 6 — Settlement Options & Payment
- Section 7 — Legal Status & Recovery Action
- Section 8 — Roadshow Schedule & Engagement Sessions
- Section 9 — Application & Approval Process
- Section 10 — Employer Responsibilities
- Section 11 — Finality, Default & Cancellation
- Section 12 — Why This Matters for Malaysia's Workforce
- Section 13 — Need More Help?

Section 1. About the Campaign & HRD Corp Levy Basics

Q. What is HRD Corp levy?

A. The HRD Corp levy is a statutory monthly contribution paid by registered employers to HRD Corp under the Pembangunan Sumber Manusia Berhad Act 2001 (Act 612). It is calculated as a percentage of the monthly wages of an employer's Malaysian employees. The levy is credited to the employer's levy account and funds training and skills development for the Malaysian workforce, which employers can access through HRD Corp-approved schemes and claims.

Q. Why does my company need to pay HRD Corp levy?

A. Because the Act requires covered employers to register with HRD Corp and pay the levy each month; it is a legal obligation, not a voluntary contribution. Failure to pay is an offence under the Act and results in levy arrears, interest and, if left unresolved, recovery action. Paying on time also keeps the company in good standing, so that it can continue to use its levy for employee training.

Q. Is HRD Corp levy the same as a tax?

A. No. The levy is a statutory contribution collected and administered by HRD Corp for a specific purpose, namely training and human capital development, rather than a tax collected for general government revenue. Employers can draw on their levy contributions to fund approved training for their employees. Employers should consult their tax adviser on how the levy is treated for tax purposes.

Q. Who pays the HRD Corp levy?

A. The employer pays; it cannot be deducted from employees' wages. Employers with 10 or more Malaysian employees must register and contribute 1% of each Malaysian employee's monthly wages, while employers with 5 to 9 Malaysian employees may register voluntarily and contribute 0.5%. The levy is paid monthly through HRD Corp's prescribed channels, generally by the 15th of the following month. HRD Corp determines final registration and liability under the Act.

Q. What is "levy arrears"?

A. Levy arrears are the unpaid levy amounts outstanding for the relevant levy months, that is, levies that have fallen due but have not been paid by their due date. Levy arrears must always be paid in full and are never waived under the campaign.

Q. What is the difference between levy arrears and interest?

A. Levy arrears are the unpaid levy itself. Interest is a separate, additional amount imposed on unpaid levy arrears under the applicable statutory provisions because the levy was paid late (see Section 4 for Outstanding Interest and Accrued Interest). The campaign waives interest only, at 100%, 75% or 50% depending on the settlement option chosen; the levy arrears remain payable in full under every option. For example, an employer with RM50,000 levy arrears and RM8,000 interest pays the full RM50,000 under every option, and the waiver applies only to the RM8,000 interest.

Q. What is the HRD Corp Interest Waiver Campaign?

A. The HRD Corp Interest Waiver Campaign is a limited-time, nationwide initiative to help employers with outstanding HRD Corp levy arrears settle their accounts on better terms. Employers who apply during the campaign period and settle their arrears under their chosen option receive an interest waiver on the outstanding balance, along with flexible settlement options, subject to the campaign's applicable terms and conditions and eligibility criteria. Importantly, the campaign covers interest only — the levy arrears are not waived and remain payable in full under every settlement option.

Q. When does the campaign run, and by when must employers apply?

A. The campaign runs nationwide during the campaign period of November to 31 December 2026. Employers must submit their Application Form by 31 December 2026, and any lump-sum payment must be completed by 31 January 2027. Approved instalment plans may run for up to 12 months. The balances shown to employers reflect HRD Corp's records as at the applicable cut-off date.

Q. Why is HRD Corp running this campaign, and what does it hope to achieve?

A. HRD Corp wants to help employers clear their levy arrears without the added burden of accrued interest, while ensuring that levy funds, which exist to support training and human capital development, are put back to work for Malaysia's workforce. As a statutory body under the Ministry of Human Resources (KESUMA), HRD Corp undertakes this campaign in support of its mission, "Advancing Skills, Empowering Talent for a Future-Ready Malaysia," in alignment with KESUMA's Dasar Sumber Manusia Negara (DSMN) 2026 - 2035, which serves as the overarching framework for long-term workforce development, productivity enhancement, and economic resilience. It aims to achieve two (2) main outcomes:

(i) helping more employers regularise their levy accounts and return to good standing, while easing the financial burden on employers through the interest waiver and flexible payment options; and

(ii) increasing the levy funds available for training and upskilling initiatives nationwide.

Q. Is this campaign simply about “debt collection”?

A. No. While settling arrears is part of it, the wider purpose is to help employers return to good standing with HRD Corp so they can continue accessing training levy benefits and support the broader national training ecosystem.

Q. How does the interest waiver fit into the overall campaign?

A. The campaign brings together three (3) elements: (i) direct engagement with employers through nationwide roadshows and briefings; (ii) the interest waiver offer itself; and (iii) structured instalment plans of up to ~~a maximum of~~ 12 months, available for approved proposals, for employers who are unable to settle in a single lump sum.

Section 2. Eligibility

Q. Who is eligible to participate in the campaign?

A. Employers registered with HRD Corp who have outstanding levy arrears may be eligible to participate, subject to the campaign’s eligibility criteria, the applicable cut-off date and other terms and conditions confirmed by HRD Corp. Any employer across Malaysia with outstanding levy arrears, regardless of company size or state, is encouraged to take part and benefit from the interest waiver before the campaign period ends, except employers who are already on an instalment plan and employers against whom a court judgment has been obtained, who are not eligible (see the table below).

Q. Are employers with ongoing legal proceedings or a Letter of Demand (LOD) eligible?

A. Yes. Employers under recovery action, including those who have received a Letter of Demand (LOD) or are at the Summons stage, are eligible to participate in the campaign. Employers already paying by instalment and employers against whom a court judgment has been obtained are not eligible.

Q. Which settlement route applies to my situation?

The route open to an employer depends on its current account status:

Employer’s situation	Can join?	What applies
Has arrears, no instalment plan, and legal proceedings imposed.	Yes	May choose any option in Section 3: lump sum (100% waiver), 2–6 months instalment (75%) or 7–12 months instalment (50%), subject to approval.
Already on an approved instalment plan (no legal proceeding).	No	Not eligible for the campaign.

Employer's situation	Can join?	What applies
Under legal proceedings (LOD or Summons stage), and not currently on an instalment payment plan.	Yes, subject to approval	May apply under the options in Section 3. Legal action is not suspended automatically (see Section 7).
Under legal proceedings (LOD or Summons stage) who are currently on an instalment payment plan.	No	Not eligible for the campaign.
Court judgment obtained and currently under execution proceedings.	No	Not eligible for the campaign.

Q. Can an employer that wishes to de-register from HRD Corp join the campaign?

A. Yes. An employer that is currently undergoing the de-registration process with HRD Corp may participate in the campaign. The employer may settle the outstanding levy arrears under the campaign to enjoy the applicable interest waiver. Once the employer settles the outstanding arrears and completes the de-registration requirements, the employer's account will be closed accordingly.

Q. How can an employer check its eligibility and outstanding balance?

A. Employers can enter their MyCoID and password through the designated HRD Corp e-TRIS portal to view their outstanding levy arrears and outstanding interest.

Q. What does the outstanding balance consist of?

Component	Description
Levy Arrears	Unpaid levy amounts outstanding for the relevant levy months. This must always be paid in full and is never waived.
Interest	Interest imposed on unpaid levy arrears under the applicable statutory provisions, comprising Outstanding Interest and Accrued Interest (see Section 4).

Section 3. At a Glance: Settlement Options

The table below summarises the three settlement options available under the campaign. Employers should select the option best suited to their cash-flow position, noting that a shorter settlement period attracts a higher interest waiver. All application forms must be submitted by 31 December 2026.

No.	Settlement Option	Interest Waiver	Settlement Period	Due Date for Instalment Payment	Best Suited
1.	Full Settlement (Lump Sum)	100%	Lump-sum payment	By 31 January 2027	Employers who can pay the full levy arrears at once.
2.	Short-Term Instalment Plan*	75%	2 – 6 months	1 st instalment starts in Feb 2027. Pay all instalments by the end of each month.	Employers who need a shorter payment spread.
3	Extended Instalment Plan*	50%	7 – 12 months	1 st instalment starts in Feb 2027. Pay all instalments need to be paid by the end of each month.	Employers who need more time to settle.

Employers participating in the Interest Waiver Campaign **must also settle their current levy**, in addition to the levy arrears covered under the Interest Waiver Campaign. This requirement ensures that employers not only fulfil their obligations for the arrears eligible for the interest waiver but also remain up to date on their current levy liabilities. The settlement of the current levy arrears shall form part of the employer's overall commitment under the campaign and shall be subject to the applicable payment terms and conditions stipulated by HRD Corp.

*Instalments are calculated on the levy arrears only, subject to a minimum monthly payment of RM2,000 and to HRD Corp's approval of the instalment proposal. Interest is calculated after all instalments are completed; the interest waived and any remaining interest balance are confirmed at the end of the instalment tenure.

Note:

The waiver applies only to eligible interest. Levy arrears must always be paid in full, under every option above. Interest is calculated only after the lump sum or all instalments have been completed; the waiver is then applied, and any remaining interest balance is payable

at the end of the instalment tenure. Instalment plans (payment in more than one instalment) are granted only for approved proposals, up to a maximum of 12 months.

Section 4. Interest Calculation & Waiver Tiers

Q. How is interest presented and calculated under the campaign?

A. Interest is shown in two components:

- **Outstanding Interest:** The existing unpaid interest amount already recorded in HRD Corp's system as at the applicable date.
- **Accrued Interest:** The interest calculated after the full lump sum or all instalments of the levy arrears have been completed, using HRD Corp's prescribed calculation method.

The system automatically calculates the applicable amount based on the employer's outstanding levy arrears and the relevant dates. Accrued interest is based on the applicable outstanding levy arrears, the prevailing interest rate and the period of default, in accordance with the applicable statutory provisions and HRD Corp's system calculation.

Any interest figure shown before the lump sum or final instalment is paid is an estimation/indicative only. Instalments are calculated and spread over the levy arrears only. Once payments are completed, the applicable waiver is applied to the interest. The waived interest and any remaining balance are confirmed at the end of the instalment tenure.

Q. Can an employer request a higher interest waiver or appeal the approved settlement amount?

A. No. The waiver percentage is fixed according to the settlement option chosen. Individual requests for an additional or higher waiver, or for an alternative waiver percentage or arrangement, are not entertained unless expressly provided for by HRD Corp. If an employer believes the outstanding balance itself is incorrect, it should follow the process in Section 10 before acknowledging any option.

The table below compares the four possible outcomes for an employer with RM50,000 in levy arrears and RM8,000 in interest (illustrative; actual interest is calculated after the lump sum or all instalments are completed):

No.	Scenario	What the Employer Pays	Outcome
1.	Full Settlement (lump sum, paid by 31 January 2027).	RM50,000 (one payment; no interest payable).	100% of the RM8,000 interest waived (RM8,000 saved). Account cleared immediately.
2.	Short-Term Instalment (2–6 months, e.g. 6 equal instalments).	RM52,000 total: RM50,000 levy arrears in 6 equal monthly instalments of RM8,333.33 (levy arrears only), plus RM2,000 interest	75% of the RM8,000 interest waived (RM6,000 saved), provided every instalment is paid on schedule. Interest is

No.	Scenario	What the Employer Pays	Outcome
		not waived, payable at the end of the tenure.	calculated after the last instalment; the remaining RM2,000 is settled at the end of the tenure.
3.	Extended Instalment (7–12 months, e.g. 12 equal instalments).	RM54,000 total: RM50,000 levy arrears in 12 equal monthly instalments of RM4,166.67 (levy arrears only), plus RM4,000 interest not waived, payable at the end of the tenure.	50% of the RM8,000 interest waived (RM4,000 saved), provided every instalment is paid on schedule. Interest is calculated after the last instalment; the remaining RM4,000 is settled at the end of the tenure.
4.	Does not take up the offer within the campaign period.	RM58,000 (levy arrears plus full accrued interest), plus any legal recovery costs.	No waiver. Account may be pursued through the necessary legal recovery proceedings. Interest continues to accrue until the account is fully settled.

Which option should an employer choose?

If the company has the funds available, a lump-sum settlement clears the account immediately and secures the full (100%) interest waiver.

If cash flow is a concern, an instalment plan of up to a maximum of 12 months (subject to HRD Corp's approval of the proposal) spreads the levy arrears over the tenure (any remaining interest is settled at the end), but the waiver is lower: 75% for a 2–6 month plan and 50% for a 7–12-month plan.

Whichever option is chosen, it should be indicated on the Application Form.

Section 5. Existing Instalment Plans (Not Eligible)

Q. Can employers with an existing instalment plan participate in the campaign?

A. No. Employers who are already on an approved instalment plan are not eligible for the campaign, whether they have also received an LOD or are facing legal action (see the table in Section 2). They cannot switch their existing plan to a lump-sum settlement or the 75% or 50% instalment options, and the campaign's interest waiver does not apply. Their existing instalment plan continues as approved.

Q. What should an employer on an existing instalment plan do?**A.** An employer on an existing instalment plan should:

- Continue to pay every instalment on time under its existing plan, because the campaign does not change, suspend or replace that plan;
- Check its current balance and plan status through the e-TRIS portal or the nearest HRD Corp state office;
- Contact HRD Corp or its nearest state office before the due date if it expects difficulty making a payment; and
- Keep all payment receipts and check that HRD Corp has credited every payment.

Payments already made under the existing plan remain credited to the employer's account. The existing plan continues to be governed by its own approved terms and HRD Corp's records.

Illustrative Example

An employer originally owed RM12,000 levy arrears and has already paid RM2,000 under an approved instalment plan. That RM2,000 stays credited and the employer keeps paying the remaining RM10,000 under its existing plan. Because it is already on an instalment plan, it cannot apply for the campaign or switch to the lump-sum, 75% or 50% options.

Section 6. Settlement Options & Payment**Q. Can an employer pay in instalments instead of a lump sum, and is there a maximum tenure?**

A. Yes. Employers who are unable to make a full lump-sum settlement may submit a proposal for a structured instalment plan of up to 12 months. Instalment plans are granted for approved proposals only. Key points:

- **Maximum period:** The instalment plan can run for up to 12 months. Employers may propose a shorter plan to clear their account sooner and qualify for a higher waiver (75% for 2–6 months versus 50% for 7–12 months).
- **Minimum monthly payment:** Each monthly instalment of the levy arrears is subject to a minimum of RM2,000, so the number of months available depends on the levy arrears outstanding (for example, levy arrears of RM10,750 can run for at most 5 months).
- **Subject to approval:** Instalment plans are for approved proposals only. Indicate the instalment option on the Interest Waiver Application Form and HRD Corp will review it and confirm the payment schedule in the waiver confirmation.
- **Set up in person:** At roadshow sessions, HRD Corp officers can work with employers directly to set up their payment arrangement.
- **Full arrears still payable:** Instalments must add up to the full levy arrears. The waiver applies to interest only, and only if the employer keeps to the agreed schedule. Interest is not included in the monthly instalments; it is calculated after the final instalment, and the interest waived and any remaining balance are settled at the end of the tenure.

Q. How is the amount payable under an instalment plan calculated?**A.** The total amount payable generally follows this formula:**Formula***Levy Arrears + Net Interest Payable After Waiver = Total Settlement Amount**The monthly instalment is calculated on the Levy Arrears only, divided evenly across the approved settlement period selected by the employer. Interest is calculated after all instalments have been completed; the waiver is then applied, and any Net Interest Payable After Waiver is due at the end of the tenure.*

Illustrative example (Short-Term Instalment option, 6 equal monthly instalments of the levy arrears, based on RM50,000 levy arrears and illustrative total interest of RM8,000 with a 75% waiver applied):

Item	Amount (RM)
Levy Arrears	50,000.00
Total interest before waiver	8,000.00
Less: interest waived (75%)	(6,000.00)
Net Interest Payable After Waiver	2,000.00
Total Settlement Amount	52,000.00
Monthly Instalment (Levy arrears ÷ 6 months; interest excluded)	8,333.33

The final instalment amount is subject to HRD Corp's system calculation and approval, as confirmed in the employer's waiver confirmation. The net interest payable after waiver (if any) is confirmed after the final instalment and is due at the end of the tenure.

Q. Can an employer settle the outstanding amount earlier than the approved instalment period?**A.** Yes. Employers may request early settlement of the remaining balance, subject to HRD Corp's procedures and confirmation of the final settlement amount. The waiver rate under the approved option remains unchanged. Settling early does not entitle the employer to an additional or higher waiver. The employer must complete a new form within the campaign period.**Q. Can an employer make additional or partial payments during the instalment period?****A.** Not on an ad-hoc basis. Any additional or partial payment must follow HRD Corp's prescribed payment procedures and does not automatically change the approved settlement schedule or waiver terms. Employers who wish to pay ahead should request early settlement (see above) or obtain HRD Corp's confirmation before making the payment.**Q. What payment methods are available?**

A. Payments should be made through HRD Corp's prescribed methods, including approved electronic payment channels. Other methods are subject to HRD Corp's approval.

Section 7. Legal Status & Recovery Action

Q. What happens if an employer does not take up the offer during the campaign period at all?

A. Employers who do not take up the offer remain liable for the full accrued interest (in addition to the levy arrears) and may be pursued through HRD Corp's standard legal recovery process, which can include a Letter of Demand (LOD), Summons, or Execution proceedings, together with any associated legal recovery costs. Employers are strongly encouraged to settle early to avoid these additional costs.

Q. Will legal action automatically stop once an employer applies?

A. No. Submitting an application does not automatically suspend or discontinue legal or recovery action. Any suspension, withdrawal or other treatment of proceedings is subject to HRD Corp's approval and the employer's compliance with the approved settlement terms.

Q. I have received an LOD or am facing legal action (e.g. Summons) and am currently paying by instalment. Can I still join the campaign?

A. No. An employer that has received an LOD or is facing legal action (such as a Summons) and is already paying by instalment is not eligible for the campaign (see the table in Section 2). It cannot switch to the lump sum, 75% or 50% options and must continue its current instalment plan. The existing LOD or legal proceedings will continue under that arrangement. Employers in this situation are recommended to:

- Keep to the current schedule: Continue existing instalment payments on time so that the account does not fall further behind.
- Contact HRD Corp early if payment becomes difficult: Speak to the nearest state office before the due date so that options can be discussed.
- Keep responding to legal documents: Continue to comply with any LOD or Summons already issued and inform the lawyer handling the matter.
- Rely on HRD Corp's written communication: Treat HRD Corp's written confirmation as the position on the existing LOD or legal proceedings.

Illustrative Example

Company C received an LOD and is now paying its arrears by instalment. Because it is already paying by instalment, it is not eligible for the campaign and cannot apply for the interest waiver. It should keep paying every instalment on schedule and contact its nearest HRD Corp office if it expects difficulty.

By contrast, Company D also received an LOD but is not on any instalment plan, so it may apply under the options in Section 3, subject to HRD Corp's approval; legal action is not suspended automatically.

Examples are illustrative only. For an eligible employer, HRD Corp will confirm in the final terms and conditions whether legal costs already incurred are affected and whether ongoing proceedings are paused, withdrawn, or continued.

Q. What happens to an employer's legal case after its application is approved, and will it be withdrawn?

A. The treatment of the legal case is determined in accordance with HRD Corp's applicable procedures and the terms of the approved settlement, and the employer must continue to comply with all payment obligations and any other requirements HRD Corp imposes. Where a Summons has been issued, the case will be withdrawn once the employer makes all payments under the approved settlement, subject to HRD Corp's confirmation. Employers should not assume that a legal case has been withdrawn simply because an application was submitted or approved.

Q. If an employer has already received legal documents, does it still need to respond to them?

A. Yes. Participating in the campaign does not automatically invalidate, suspend or replace any legal document already issued. Employers must comply with applicable legal requirements and promptly contact HRD Corp about their application status. Employers should also inform the lawyer handling the matter, including the law firm named in the LOD or court documents and the employer's own lawyer, if any, of their application.

Section 8. Roadshow Schedule & Engagement Sessions

Q. When is the roadshow taking place, and what is it for?

A. The engagement roadshow runs nationwide from November to December 2026. Attending a session is optional but encouraged. HRD Corp officers can walk employers through their account, explain the waiver offer in person and help set up their payment arrangement.

Q. How many locations will be covered, and which states and cities are included?

A. 15 engagement stops nationwide, organised in four (4) phases plus Klang Valley:

- Launch – 29 October 2026: Sunway Putra Hotel, Kuala Lumpur
- Phase 1 — East Coast: Kelantan, Terengganu, Pahang
- Phase 2 — Northern & Southern: Negeri Sembilan, Johor, Melaka, Kedah, Penang, Perak
- Phase 3 — Sabah: Kota Kinabalu, Tawau, Sandakan
- Phase 4 — Sarawak: Kuching, Miri, Sibul
- Klang Valley — Open throughout the campaign period

Q. Where can an employer find the exact date and venue for its state?

A. Detailed schedules for each location will be published by HRD Corp closer to the roadshow dates. Employers are encouraged to check HRD Corp's official channels or contact their state office for the latest schedule. Employers in a state without a scheduled roadshow stop can still obtain the form and assistance from their nearest HRD Corp state office and submit the completed form to the dedicated campaign email address/system.

Section 9. Application & Approval Process

Q. What is the recommended step-by-step process to apply for the interest waiver?

1. Check your arrears status: Log in to HRD Corp's e-TRIS portal using your MyColD and password, or contact your nearest HRD Corp state office to confirm your outstanding levy arrears and the interest accrued to date.
2. Attend an engagement session (optional but encouraged): Join one (1) of the 15 nationwide roadshow sessions (November–December 2026), where HRD Corp officers can walk you through your account and the waiver offer in person.
3. Select your settlement option: Choose the applicable settlement option from Section 3 (Full Settlement, Short-Term Instalment, or Extended Instalment).
4. Submit your Employer Acknowledgement / Interest Waiver Application: Complete and sign the prescribed form (available at roadshow sessions or any HRD Corp state office), with company stamp where applicable, together with your latest levy arrear and interest statements, indicating whether you will settle by lump sum or propose an instalment plan of up to 12 months. Send the completed form to HRD Corp's dedicated campaign email address by 31 December 2026.
5. Verification: HRD Corp verifies your application, outstanding balance and supporting information.
6. Internal approval: The application undergoes HRD Corp's internal review and approval process.
7. Receive your waiver confirmation: Once your submission is finalised, HRD Corp will issue an acknowledgement (immediately or via email) stating the applicable waiver percentage and your agreed payment schedule (based on the levy arrears). HRD Corp will confirm the waived interest and any remaining interest balance after all payments are completed. Where applicable, the acknowledgement is subject to stamp duty and similar requirements.
8. Make payment within the stipulated period: Complete payment strictly according to the confirmed schedule. A lump-sum payment must be completed by 31 January 2027; instalments start in February 2027 and each is due by the end of the month. Instalments cover the levy arrears only. Any remaining interest is payable at the end of the tenure. As long as settlement is completed within the agreed timeframe, the interest waiver will not be withdrawn.
9. Legal Status update from “Yes” to “No”: For employers currently under the legal status of “Yes”, the status will be updated to “No” upon the successful settlement of the final instalment and any remaining interest due. The update is expected to be completed within approximately 14 working days from the date of full settlement, subject to verification and completion of the necessary HRD Corp internal processes.
10. Keep your records: Retain your payment receipts and waiver confirmation for your company's records.

Q. Where can employers get the application form, who can sign it, and how is it submitted?

A. The prescribed Employer Acknowledgement/Interest Waiver Application Form is made available at HRD Corp state offices and at roadshow sessions. The employer completes the form and sends it, together with the supporting documents, to HRD Corp's dedicated campaign email address. The form must be signed by a director of the company, or by an authorised representative holding a letter of authorisation from the company.

Q. Is participation automatic once an employer is eligible, and does submitting the form guarantee approval?

A. No. Eligibility alone does not mean automatic approval, and submitting the acknowledgement /application form does not constitute approval. The employer must actively select a settlement option, complete the Employer Acknowledgement/Interest Waiver Application Form and comply with the campaign's requirements. Every settlement remains subject to HRD Corp's verification and internal approval process.

Q. How long does HRD Corp take to process an application?

A. HRD Corp aims to complete its verification and approval within 30 working days of receiving a complete application. The outcome will be communicated through the waiver confirmation.

Section 10. Employer Responsibilities

Q. What is an employer responsible for, before and after approval?

A. Employers are responsible for:

Before:

- Verifying (through e-TRIS) the latest levy arrears and interest statements, and bringing them to the roadshow session if attending (or submitting them with the application form);
- Ensuring the information provided is accurate and complete;
- Selecting the appropriate settlement option;
- Reviewing the outstanding levy arrears and interest amounts carefully before acknowledgement;
- Ensuring the acknowledgement is signed by the company's Director or an authorised representative duly appointed by the company and supported by a valid Letter of Authorisation (*Surat Kuasa*);

After:

- Making payments according to the approved schedule;
- Ensuring payments are successfully received and credited by HRD Corp;
- Providing any additional information or documents HRD Corp requests; and
- Complying with all applicable terms and conditions of the campaign.

Q. What if an employer believes the outstanding balance shown is incorrect? Can HRD Corp amend the amount?

A. The employer should raise the discrepancy with HRD Corp before acknowledging any settlement option and provide supporting documents for verification. If the levy arrears amount is incorrect, the employer must first submit Form 3 to HRD Corp for approval, along with supporting documents such as an EPF statement or payroll summary.

Employers are encouraged to do this early so HRD Corp can confirm the corrected balance within the campaign period, and they should not acknowledge an option based on an amount they believe is incorrect. Likewise, where discrepancies are found during verification, HRD Corp may review and update the outstanding balance based on its official records and applicable calculations. The amount finally approved by HRD Corp is the amount applicable for settlement under the campaign, and any final figure is subject to HRD Corp's terms and conditions.

Q. What happens if an employer has multiple HRD Corp accounts or branches?

A. Employers should verify that the MyCoID correspond to the correct employer account, and refer any account consolidation, branch record or payment allocation issue to HRD Corp for verification before settlement.

Section 11. Finality, Default & Cancellation

Q. Can an employer change, cancel or disregard its settlement option after acknowledging it?

A. No. Once an employer selects and acknowledges a settlement option and HRD Corp approves it, the option and its terms are final. The employer must comply with it, and it may not be changed, restructured, cancelled, or disregarded unless HRD Corp expressly permits it. Employers should therefore review the outstanding amount, settlement options and payment obligations carefully before acknowledging.

Q. What happens if an employer misses or delays a payment, has a payment dishonoured, or otherwise fails to comply with the approved arrangement?

A. Any of the following is treated as non-compliance with the approved settlement arrangement:

- Missed or late instalment (failure to pay by the due date);
- Dishonoured payment or a post-dated cheque returned unpaid; or
- Stopping payments or not completing settlement within the agreed timeframe.

Non-compliance may result in the cancellation or withdrawal of the interest waiver. The interest that would otherwise have been waived, or such amount as determined under the campaign's terms, may become payable (imposed on the outstanding balance) and HRD Corp reserves the right to resume or continue recovery and/or legal action, which can include a Letter of Demand (LOD), Summons, or Execution proceedings. Any further legal action taken as a result will be at the employer's cost.

Illustrative Example — Stopped Payments

Company B is confirmed on a 12-instalment plan for RM50,000 in levy arrears, with instalments of ≈ RM4,166.67 per month, and 50% of the RM8,000 interest (RM4,000) to be waived once all instalments are completed. After paying the first five instalments, it stops paying and does not contact HRD Corp. Because the settlement was not completed within the agreed timeframe, HRD Corp may withdraw the waiver (so the RM4,000 interest is not waived and remains payable on the outstanding balance) and resume legal recovery action.

If an employer anticipates difficulty meeting a payment, it should contact HRD Corp or its nearest state office before the due date so that options can be discussed early. Employers should retain all payment receipts and their waiver confirmation for their records.

Employer Declaration

I confirm that the information provided above is accurate and complete. I acknowledge that I have reviewed the outstanding levy arrears, applicable interest and available settlement options. Once a settlement option has been selected and acknowledged, I agree to comply

with the approved settlement arrangement and payment schedule. I understand that failure to comply may result in the cancellation or withdrawal of the interest waiver and HRD Corp taking further recovery and/or legal action in accordance with the applicable procedures.

Section 12. Why This Matters for Malaysia's Workforce

Q. How does settling my arrears support workforce development?

A. Levy funds exist to support employee training and upskilling. By settling outstanding arrears, employers help restore funds available for training programmes nationwide, directly supporting HRD Corp's mandate to advance skills and empower talent for a future-ready Malaysia.

Q. What are the overall benefits of joining the campaign?

A. By applying within the campaign period and settling under the chosen option, an employer stands to gain:

- Upon full settlement of the final instalment and any remaining interest due, employers are encouraged to **utilise their available levy within six (6) months**. During this six-month period, the **employer's levy will not be forfeited, giving employers sufficient time to maximise the use** of their available levy balance.
- Interest waived: 100% if settled by lump sum, or 75%/50% under an approved instalment plan, so the employer pays the levy arrears owed plus only any interest that is not waived.
- Flexible payment: Settle in one lump sum or submit a proposal for an instalment plan of up to a maximum of 12 months if a single payment is not feasible (subject to HRD Corp's approval).
- Avoided legal recovery costs: Settling early helps avoid HRD Corp's standard legal recovery process, which can include an LOD, Summons, or Execution proceedings.
- Return to good standing: Clearing arrears helps the company regularise its levy account so it can continue to access training levy benefits.
- Certainty and clarity: A waiver confirmation states the waiver percentage and agreed payment schedule, and the waiver will not be withdrawn as long as settlement is completed within the agreed timeframe.
- Personal guidance: Employers can attend one of the 15 nationwide roadshow sessions (November–December 2026) for hands-on assistance.

Illustrative Example

Company A owes RM50,000 in levy arrears and RM8,000 in accrued interest. If it joins the campaign and applies within the campaign period on a 6-month instalment plan, 75% of the interest (RM6,000) is waived, so it pays the RM50,000 levy arrears in 6 monthly instalments (≈ RM8,333.33 each) and, at the end of the tenure, the remaining RM2,000 interest (RM52,000 in total), a saving of RM6,000 and avoids further legal recovery action. If it does not accept the offer, it remains liable for RM58,000 and may face LOD, Summons, or Execution proceedings, which can add further costs.

Figures are illustrative only and do not represent any actual employer account.

Section 13. Need More Help?

For questions not covered in this FAQ, including final approved venue details, specific waiver terms and conditions, or eligibility confirmation, please contact the HRD Corp campaign team or visit your nearest HRD Corp state office.

Email: interestwaiver@hrdcorp.gov.my

Important Note

This FAQ provides general and consolidated information on the HRD Corp Interest Waiver Campaign for employer reference. It will be updated as official terms are finalised and published. In the event of any discrepancy between this FAQ, the information displayed in the HRD Corp system, the Application Form, and any official approval or communication issued by HRD Corp, the official HRD Corp record, approval and/or terms and conditions of the campaign shall prevail.

Employer Scenario Samples, Process Flow & Key Dates

This guide turns the four (4) FAQ scenarios into worked samples employers can follow and adds a fifth scenario for employers who cannot attend a roadshow. All samples use the FAQ's illustrative account: **RM50,000 levy arrears** and **RM8,000 interest**. Dates marked **illustrative** are examples only, and **recommended** dates are practical suggestions for employers.

Five (5) things every employer must remember

- 1. Levy arrears are never waived.** Only interest is waived. The full RM50,000 is payable under every option.
- 2. Campaign ends on 31 December 2026.** Submit the application form by then; any lump-sum payment must be completed by 31 January 2027.
- 3. Instalments start in February 2027,** and each one must be paid by the end of that month, on the levy arrears only.
- 4. The choice is final once approved.** Choose the option carefully before acknowledging; it cannot be changed afterwards.
- 5. Current levy must also be kept up to date** throughout the campaign, in addition to the arrears being settled.

1. Key Dates at a Glance

Date	What happens	Applies to	Source
November 2026	Campaign opens nationwide. Roadshow sessions begin (15 stops, Nov-Dec 2026).	All employers	Fixed
29 November until 31 December 2026	Employers who cannot attend a roadshow: an employer or representative collects the form from any HRD Corp state office (within the campaign period).	Remote-route employers	Recommended
31 December 2026	Campaign closes. Last day to submit the application form.	All applications	Fixed
31 January 2027	Last day to complete the lump sum payment.	Lump sum	Fixed
February 2027	First instalment month. Pay by the end of each month (see schedules in Section 4).	Short-term and extended plans	Fixed
31 July 2027	Final instalment for a 6-month plan (Feb-Jul 2027).	Short-term plan	Illustrative (6 months)
31 January 2028	Final instalment for a 12-month plan (Feb 2027-Jan 2028). This is the latest possible end date.	Extended plan	Illustrative (12 months)
End of tenure	Pay the remaining (unwaived) interest after it is calculated following the last instalment.	Short-term and extended plans	Fixed (exact date to be confirmed)
14 working days after full settlement	Legal status updated from "Yes" to "No"	Employers with legal status "Yes"	Fixed

Date	What happens	Applies to	Source
Within 6 months after full settlement	Employer encouraged to use available levy. Forfeiture does not apply in this period.	All settled employers	Fixed

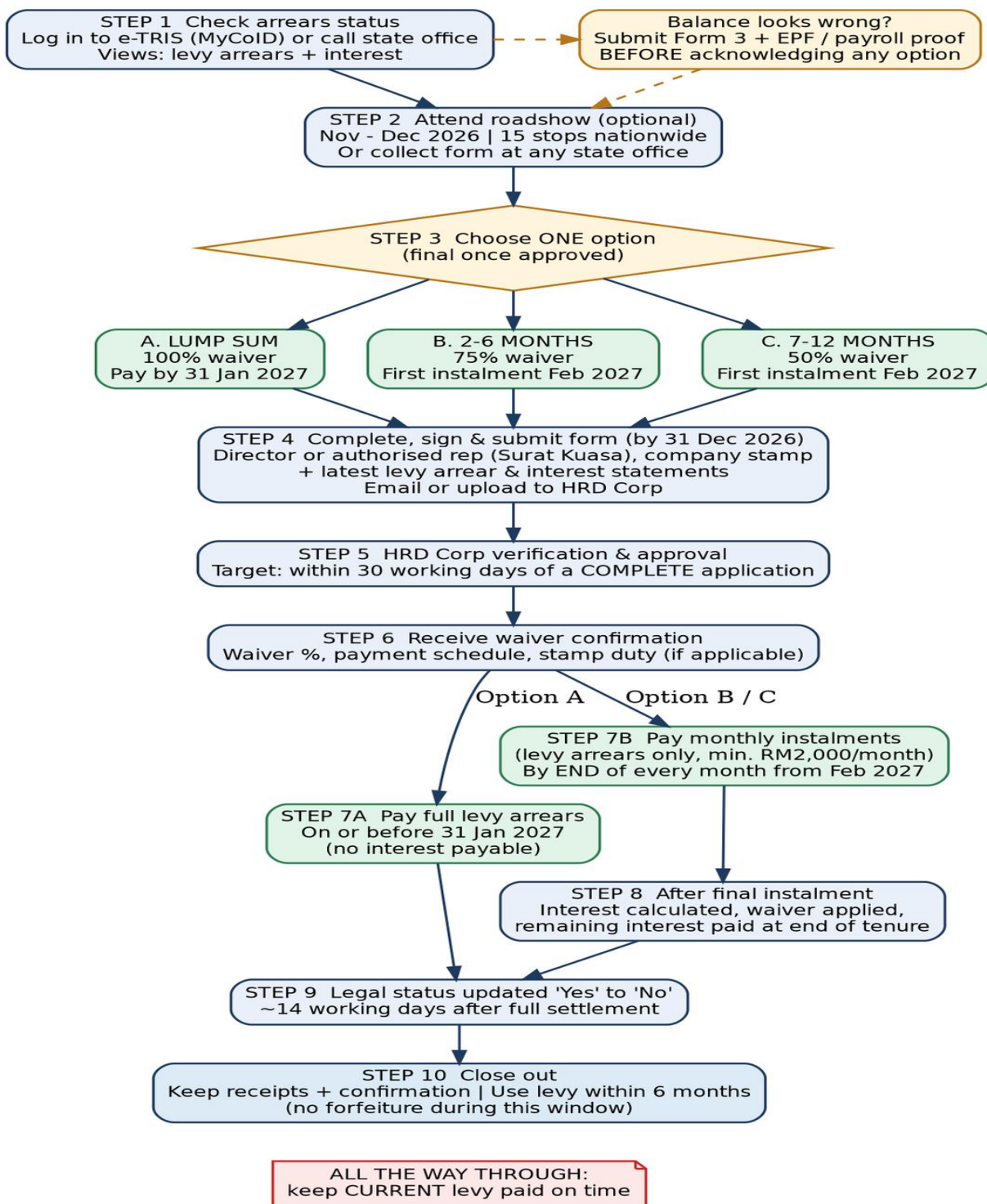
2. The Scenarios Compared

Based on RM50,000 levy arrears and RM8,000 illustrative interest. Actual interest is calculated only after the lump sum, or the final instalment is paid.

No.	Scenario	Interest waived	Total paid	Saving	Waiver	Timing
1.	Full settlement (lump sum)	RM8,000 (100%)	RM50,000.00	RM8,000	100%	One payment by 31 January 2027
2.	Short-term instalment (6 months)	RM6,000 (75%)	RM52,000.00	RM6,000	75%	February-July 2027, RM2,000 interest at end of tenure
3.	Extended instalment (12 months)	RM4,000 (50%)	RM54,000.00	RM4,000	50%	February 2027-January 2028, RM4,000 interest at end of tenure
4.	No action in campaign period	RM0 (no waiver)	RM58,000.00 + legal costs	RM0	0%	Interest keeps accruing; legal recovery may follow
5.	Cannot attend roadshow (state office form, remote submission)	Per option chosen	Per option chosen	Per option chosen	Per option chosen	Form from state office; submit by 31 December 2026. Pay after HRD Corp notifies the result

Reading the table: Scenarios 1 to 4 are outcomes by option. Scenario 5 is a submission route that can be combined with any option. Each step down in speed costs the employer more. Moving from lump sum to a 6-month plan costs RM2,000 more; to a 12-month plan, RM4,000 more; and doing nothing costs RM8,000 more, plus legal costs.

3. Employer Process Flow



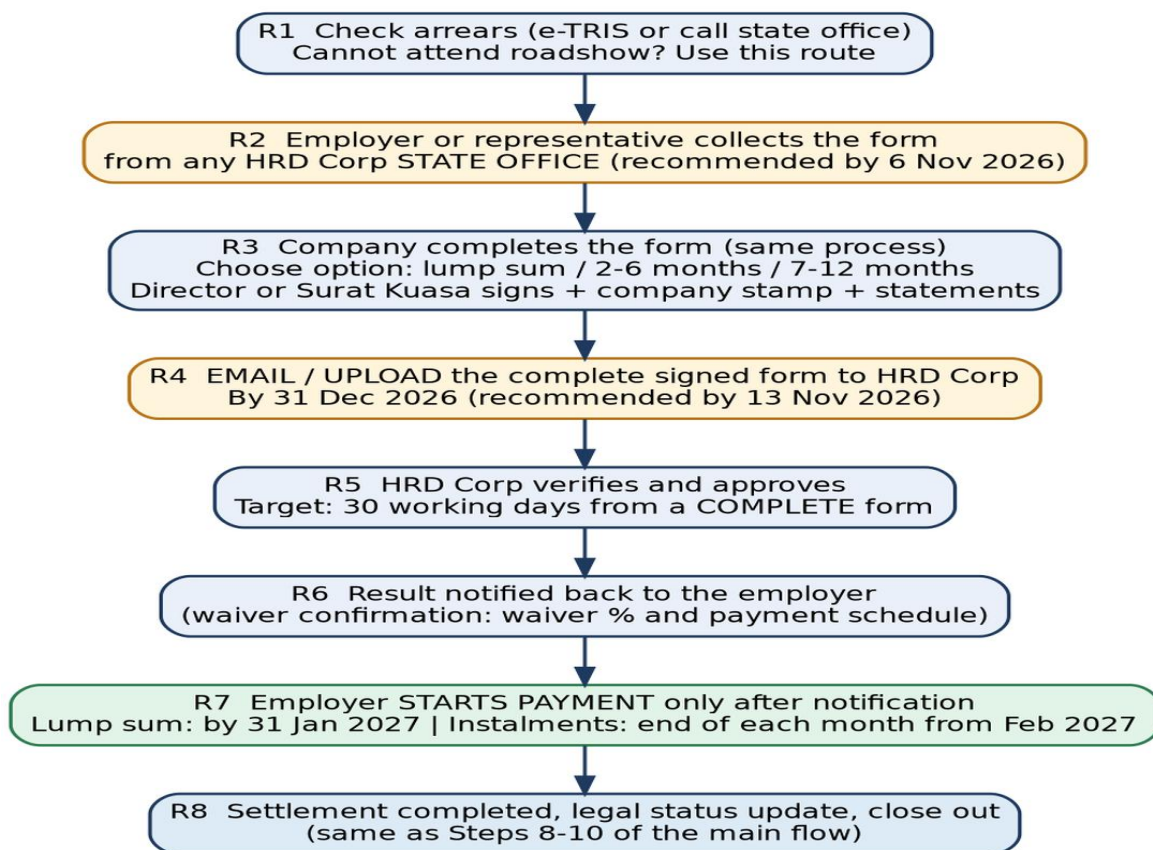
Step-by-step with timing and documents

Step	Action	Who / Documents	Timing
1.	Check arrears and interest	Employer logs in to e-TRIS with MyCoID and password or contacts the state office.	As early as possible. Recommended: First week of November.
1a.	Dispute an incorrect balance (if any)	Submit Form 3 with EPF statement or payroll summary. Do not acknowledge an option on an amount believed to be wrong.	Before acknowledging any option, confirm the corrected figure within the campaign period.
2.	Attend roadshow (optional)	Bring latest levy arrears and interest statements; HRD Corp officers can set up the arrangement in person.	November-December 2026: Schedule published by HRD Corp. If unable to attend, use the alternative route below.
3.	Select one settlement option	Lump sum (100%), 2-6 months (75%) or 7-12 months (50%). Instalment months are limited by the RM2,000 minimum.	Before submitting the form.
4.	Submit the Application Form	Signed by a director or authorised representative with Letter of Authorisation (Surat Kuasa); company stamp; attach statements; email or upload to HRD Corp	Recommended by 13 Nov 2026; must be within the campaign period (by 31 Dec 2026)
5.	Verification and internal approval	Submission to HRD Corp is not approval. Respond quickly to any request for more information.	Target 30 working days from a complete application.
6.	Receive waiver confirmation	States waiver % and payment schedule (levy arrears only). May be subject to stamp duty.	After approval.
7.	Make payment (after being notified of the result)	Lump sum: Full levy arrears. Instalments: Monthly levy arrears only, through HRD Corp prescribed channels.	Lump sum by 31 January 2027. Instalments by end of each month from February 2027.
8.	Interest calculated and remaining interest paid	HRD Corp system calculates after the last instalment. Waiver applied; any balance paid.	After the final instalment, due at the end of the tenure.

Step	Action	Who / Documents	Timing
9.	Legal status update	HRD Corp updates "Yes" to "No" after the final instalment and any remaining interest are settled.	About 14 working days after full settlement.
10.	Close out	Keep all receipts and the waiver confirmation; use available levy.	Use levy within 6 months of full settlement.

Alternative route: employer unable to attend the roadshow

Attending a roadshow is optional. An employer that cannot attend follows the same process, except that the employer (or a representative) collects the form from any HRD Corp state office and submits it remotely. Payment starts only after HRD Corp notifies the result.



Point	Roadshow route	State office / Remote route
Where the form comes from	Roadshow session, or any HRD Corp state office.	Any physical HRD Corp state office, within the campaign period. The employer or a representative can collect it and bring it back to the company.
Help setting up the arrangement	HRD Corp officers can work with the employer in person.	Employer completes the form and contacts the state office with questions.
Option, signing and attachments	Same: Option chosen, director or <i>Surat Kuasa</i> signature, company stamp, latest statements.	Same
Submission	Email to HRD Corp	Email or upload the complete signed form to HRD Corp.
Approval and result	Verification and approval, then waiver confirmation	Same; the result is notified back to the employer.
Start of payment	After the waiver confirmation	Same: only after notification

4. Worked Samples for Each Scenario

Company names are fictional. Dates in the timelines are **illustrative**; instalment due dates follow the FAQ rule of payment by the end of each month starting February 2027. Where a month-end falls on a weekend, the table shows the last working day before it as the safe payment date (public holidays are not accounted for).

Scenario 1: Full Settlement (Lump Sum), Employer A

Profile

Employer A has the funds to clear its arrears at once. Levy arrears **RM50,000**; interest **RM8,000**; no LOD or legal action; current levy up to date.

Illustrative Date	Action	Reference
2 November 2026	Logs in to e-TRIS and confirms RM50,000 arrears and RM8,000 interest.	Step 1
5 November 2026	Attends roadshow, collects form, confirms lump sum option.	Steps 2-3
9 November 2026	Director signs and stamps form; emails or uploads it with statements to HRD Corp, selecting lump sum.	Step 4
By 21 December 2026	HRD Corp target completion (30 working days from 9 November, excluding public holidays). Assume confirmation received 30 November.	Steps 5-6
7 December 2026	Pays RM50,000 in one payment through a prescribed channel and keeps the receipt (Deadline: 31 January 2027).	Step 7A
28 December 2026	Legal status updated from "Yes" to "No" (about 14 working days later), if the status was "Yes".	Step 9
By 7 June 2027	Uses available levy within 6 months of full settlement.	Step 10

Item	Amount (RM)
Levy arrears paid	50,000.00
Interest before waiver (illustrative)	8,000.00
Less: interest waived (100%)	(8,000.00)
Total paid	50,000.00
Saving	8,000.00

Outcome: The account cleared immediately, with no interest payable. **Watch out:** the form must be submitted by 31 December 2026 and the lump-sum payment completed by 31 January 2027. Payment starts only after HRD Corp notifies the result, so a late application can leave too little time to pay before 31 January 2027.

Scenario 2: Short-Term Instalment (6 months, 75% waiver), Employer B

Profile

Employer B needs a short spread. Levy arrears **RM50,000** paid over **6 equal monthly instalments** of about RM8,333.33 (levy arrears only). Interest **RM8,000** with **75% waived** (RM6,000), leaving **RM2,000** payable at the end of the tenure.

Illustrative date	Action	Reference
2 November 2026	Checks e-TRIS, confirms RM50,000 arrears. Cash-flow review shows RM8,333 a month is affordable.	Step 1
9 November 2026	Submits form selecting the 2–6-month instalment (6 months) with statements. Proposal is subject to HRD Corp approval.	Step 3-4
30 November 2026 (assumed)	Receives waiver confirmation showing 75% waiver and the 6-month schedule (target is within 30 working days).	Step 5-6
February-July 2027	Pays six instalments by the end of each month (schedule below).	Step 7B
After 31 July 2027	HRD Corp calculates interest after the last instalment; 75% waived. Employer B pays the remaining RM2,000 at the end of the tenure (exact date in the confirmation).	Step 8
After settlement full	Legal status updated from "Yes" to "No" within 14 working days, if applicable; available levy used within 6 months.	Step 9-10

No.	Due (month-end)	Pay by (if month-end is a weekend)	Instalment (RM)	Cumulative paid (RM)	Levy balance (RM)
1.	28 February 2027	26 February 2027	8,333.33	8,333.33	41,666.67
2.	31 March 2027	-	8,333.33	16,666.66	33,333.34
3.	30 April 2027	-	8,333.33	24,999.99	25,000.01
4.	31 May 2027	-	8,333.33	33,333.32	16,666.68
5.	30 June 2027	-	8,333.33	41,666.65	8,333.35
6.	31 July 2027	30 July 2027	8,333.35	50,000.00	0.00
	Total levy arrears		50,000.00	50,000.00	0.00

Total settlement	Amount (RM)
Levy arrears (6 instalments)	50,000.00
Interest before waiver (illustrative)	8,000.00
Less: interest waived (75%)	(6,000.00)
Net interest payable at end of tenure	2,000.00
Total paid	52,000.00
Savings versus no action (RM58,000)	6,000.00

Note on rounding: Six (6) payments of RM8,333.33 total RM49,999.98, so the final instalment is adjusted to RM8,333.35 to reach RM50,000.00. The waiver confirmation confirms the exact amounts. Watch out: 28 February 2027 is a Sunday, and 31 July 2027 is a Saturday, so pay by 26 February (Friday) and 30 July (Friday).

Scenario 3: Extended Instalment (12 months, 50% waiver), Employer C

Profile

Employer C needs the longest runway. Levy arrears **RM50,000** over **12 equal monthly instalments** of about RM4,166.67 (levy arrears only). Interest **RM8,000** with **50% waived** (RM4,000), leaving **RM4,000** payable at the end of the tenure.

Illustrative date	Action	Reference
2 - 9 November 2026	Checks e-TRIS; RM50,000/RM2,000 minimum allows up to 25 months, so the 12-month cap applies. Submits form (7–12-month option, 12 months) with statements.	Step 1-4
30 November 2026 (assumed)	Receives waiver confirmation: 50% waiver, 12-month schedule.	Step 5-6
February 2027-January 2028	Pays 12 instalments by the end of each month (schedule below).	Step 7B
After 31 January 2028	Interest calculated after the last instalment; 50% waived. Employer C pays the remaining RM4,000 at the end of the tenure.	Step 8
After full settlement	Legal status updated from "Yes" to "No" within 14 working days, if applicable; available levy used within 6 months.	Steps 9-10

No.	Due (month-end)	Pay by (if month-end is a weekend)	Instalment (RM)	Cumulative paid (RM)	Levy balance (RM)
1.	28 February 2027	26 February 2027	4,166.67	4,166.67	45,833.33
2.	31 March 2027	-	4,166.67	8,333.34	41,666.66
3.	30 April 2027	-	4,166.67	12,500.01	37,499.99
4.	31 May 2027	-	4,166.67	16,666.68	33,333.32
5.	30 June 2027	-	4,166.67	20,833.35	29,166.65
6.	31 July 2027	30 July 2027	4,166.67	25,000.02	24,999.98
7.	31 August 2027	-	4,166.67	29,166.69	20,833.31
8.	30 September 2027	-	4,166.67	33,333.36	16,666.64
9.	31 October 2027	29 October 2027	4,166.67	37,500.03	12,499.97

No.	Due (month-end)	Pay by (if month-end is a weekend)	Instalment (RM)	Cumulative paid (RM)	Levy balance (RM)
10.	30 November 2027	-	4,166.67	41,666.70	8,333.30
11.	31 December 2027	-	4,166.67	45,833.37	4,166.63
12.	31 January 2028	-	4,166.63	50,000.00	0.00
	Total levy arrears		50,000.00	50,000.00	0.00

Total settlement	Amount (RM)
Levy arrears (12 instalments)	50,000.00
Interest before waiver (illustrative)	8,000.00
Less: Interest waived (50%)	(4,000.00)
Net interest payable at end of tenure	4,000.00
Total paid	54,000.00
Savings versus no action (RM58,000)	4,000.00

Note on rounding: 11 payments of RM4,166.67 plus a final RM4,166.63 equals RM50,000.00.

Watch out: This plan runs the longest, so the risk of a missed payment is highest. The FAQ's own example shows an employer that stops after five instalments: the RM4,000 waiver may be withdrawn, and legal recovery may resume. Month-ends on Sundays or Saturdays (28 February, 31 July, 31 October 2027) need payment on the preceding Friday.

Scenario 4: Does Not Take Up the Offer, Employer D

Profile

Employer D does not apply, or does not complete settlement, within the campaign period. Levy arrears **RM50,000**; accrued interest **RM8,000** (illustrative, and it keeps growing).

Date	What happens	Reference
November-December 2026	No form submitted; Roadshow and e-TRIS reminders are not acted on.	Missed Steps 1-4
31 December 2026	Campaign closes. No waiver is available.	Fixed
From 1 January 2027	Employer D is liable for RM58,000 (levy arrears plus full interest as illustrated). Interest continues to accrue until full settlement.	Fixed

Date	What happens	Reference
After the campaign	HRD Corp may pursue its standard legal recovery process: Letter of Demand, Summons, then Execution proceedings. The FAQ does not state the timing.	Section 7 of the FAQ
Throughout	Legal recovery costs are borne by the employer.	Fixed

Item	Amount (RM)
Levy arrears	50,000.00
Full accrued interest (illustrative, no waiver)	8,000.00
Minimum payable	58,000.00
Plus, further interest accruing and legal recovery costs	Not capped

Outcome: No waiver, RM8,000 more than a lump sum, RM6,000 more than the 6-month plan and RM4,000 more than the 12-month plan, before legal costs. Any recovery action already underway is not paused by applying, it is subject to HRD Corp approval.

Scenario 5: Employer Unable to Attend the Roadshow (State Office Form, Remote Submission), Employer E

Profile

Employer E cannot attend any roadshow session. A company representative collects the form from an **HRD Corp state office**, returns it, completes and signs it, and emails or uploads the signed form to HRD Corp. HRD Corp processes it, notifies the result, and Employer E then starts paying. This sample uses the same account (levy arrears **RM50,000**, interest **RM8,000**) and a **6-month instalment plan (75% waiver)**, so the amounts match Scenario 2.

Illustrative date	Action	Reference
2 November 2026	Checks e-TRIS and confirms RM50,000 levy arrears and RM8,000 interest.	Step 1
4 November 2026	Company representative collects the Employer Acknowledgement/Interest Waiver Application Form from the nearest HRD Corp state office (within the campaign period) and brings it back.	R2

Illustrative date	Action	Reference
5 - 9 November 2026	The company reviews balances, chooses the 2–6-month instalment (6 months), the director signs (or an authorised representative with Surat Kuasa), applies the company stamp, attaches the latest statements, and checks that the form is complete.	R3
10 November 2026	Emails or uploads the complete signed form to HRD Corp. The 30-working-day target starts from the date of a complete application.	R4
By 22 December 2026	HRD Corp target completion (30 working days from 10 November, excluding public holidays). Assume the result is notified on 4 December 2026.	R5-R6
From 4 December 2026	Employer E may start paying under the confirmed schedule. Instalments: By month-end, February-July 2027 (Same schedule as Scenario 2, last on 31 July 2027 (pay by 30 July)).	R7, Step 7B
After 31 July 2027	Interest calculated, 75% waived; remaining RM2,000 paid at end of tenure. Then update legal status (14 working days) and use the levy within 6 months.	Steps 8-10

Outcome (same as Scenario 2): RM50,000 levy arrears in six (6) instalments, less RM6,000 interest waived (75%), plus RM2,000 net interest at the end of the tenure = **RM52,000 total**, a saving of **RM6,000** versus no action.

Why the remote route needs extra care

No officer checks the form on the spot. A form missing a signature, stamp, Surat Kuasa or statements can delay the 30-working-day clock. Check it before sending.

Payment waits for the result. If Employer E chose a lump sum, it could pay only after notification, still by **31 January 2027**. The form itself must be submitted by 31 December 2026. A 10 November submission targets completion by about 22 December, leaving about five weeks to pay, but lump-sum employers should still submit early, by 6-13 November.

Collecting the form counts toward the deadline. Both collection and submission must be completed by 31 December 2026. Submit well before then, as processing can take up to 30 working days and a lump sum can be paid only after notification, by 31 January 2027.

Keep proof of submission and follow up with the state office if no result is received.

5. What Employers Should Highlight and Check

Rules that decide the outcome

- **Not open to employers already paying by instalment.** Employers on an approved instalment plan (with or without an LOD or legal action) and employers with a court judgment already obtained are not eligible.
- **Levy arrears are payable in full** in every option. The waiver is on interest only.
- **Waiver is fixed by option:** 100% lump sum, 75% for 2-6 months, 50% for 7-12 months. No requests for a higher waiver are entertained.
- **Minimum instalment is RM2,000 a month**, so the maximum tenure is the levy arrears divided by RM2,000 (capped at 12 months). Examples: RM10,750 allows 5 months (75% tier only); RM20,000 allows 10 months; RM6,000 allows 3 months; RM50,000 allows the full 12 months.
- **Instalments cover levy arrears only.** Interest is not in the monthly amount. It is calculated after the final instalment, and any net balance is paid at the end of the tenure. Any interest figure shown earlier is indicative.
- **Approved option is final.** It cannot be changed, restructured or cancelled unless HRD Corp expressly permits it.
- **Submitting is not approval**, and applying does **not** suspend legal action automatically. Keep responding to any LOD or Summons and inform the lawyers involved.
- **Current levy must be settled as well** as the arrears under the campaign.
- **Unable to attend a roadshow?** The employer or a representative can collect the form from any HRD Corp state office within the campaign period; the company then follows the same steps (signing stays with a director or Surat Kuasa holder) and emails or uploads the complete signed form. Start paying only after HRD Corp notifies the result.
- **No ad-hoc partial or extra payments.** To pay early, request early settlement (the waiver rate stays the same and a new form is required within the campaign period).

Practical checklist before submitting

- Eligibility confirmed: the employer is not already on an instalment plan, and no court judgment has been obtained.
- Balance verified on e-TRIS; Form 3 filed first if the levy arrears amount is wrong.
- MyCoID confirmed as the correct account (check multiple accounts or branches before settling).
- Option chosen against cash flow, including the RM2,000 minimum and the end-of-tenure interest payment.
- Form signed by a director or an authorised person with a valid Letter of Authorisation (Surat Kuasa); company stamp applied.
- Latest levy arrears and interest statements attached; form emailed or uploaded to HRD Corp.
- If not attending a roadshow: form collected (by the employer or a representative) from a state office; proof of submission kept.
- Calendar reminders set for the last working day of each month from February 2027.
- Payment receipts and waiver confirmation filed; check that HRD Corp has credited every payment.

What triggers loss of the waiver

A missed or late instalment; a dishonoured payment; stopping payments; or not completing settlement within the agreed timeframe.

Consequence: the waived interest may become payable on the outstanding balance, and HRD Corp may resume LOD, Summons or Execution proceedings at the employer's cost. If a payment looks difficult, contact HRD Corp or the state office **before** the due date.

Other employer situations (not covered by the five (5) scenarios)

Situation	Route
Already on an approved instalment plan. (no LOD or legal action)	Not eligible for the campaign. Continue the existing instalment plan; payments already made stay credited.
Received an LOD or Summons, not on an instalment plan.	May apply under the three options, subject to approval. Legal action is not suspended automatically.
Received an LOD or legal action and already paying by instalment.	Not eligible for the campaign. Keep paying the current instalment plan on schedule.
Court judgment already obtained.	Not eligible.
Wishes to de-register from HRD Corp.	May join. De-registration is allowed once arrears and interest are settled under the campaign.