

## PRODUCT DISCLOSURE SHEET

### LETTER OF CREDIT-i

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on your Trade Financing.

Other customers have read this PDS and found it helpful, **you should read it too.**



**Export-Import Bank of Malaysia Berhad**  
(A Subsidiary of Bank Pembangunan Malaysia Berhad (BPMB))

Date:

## 1. What is Letter of Credit-i?

Letter of Credit-i (LC-i) is a Shariah compliant document/written undertaking by the Bank who acts at your request and instructions as the Importer (Applicant) to pay your customer (Exporter/Beneficiary) a stated sum of money against the compliance of the terms and conditions of the LC-i. The purpose of the facility is to facilitate purchase/ import of genuine and Shariah compliant goods related to your business. The applicable Shariah concepts for this product are:

- **Wakalah:** A contract where a party, as principal (muwakkil) authorizes another party as his agent (wakil) to perform a particular task on matters that may be delegated, with or without imposition of a fee.
- **Murabahah:** A sale and purchase of an asset where the acquisition cost and the mark-up are disclosed to the purchaser.

## 2. Know Your Obligations

You are required to pay all related charges, including LC-i commission, at the rate prescribed by the Bank from time to time, legal fees and other charges incurred in the preparation of all documentation perfection and preservation of the Bank's security documents. You must also certify that the goods purchased are neither prohibited nor restricted and undertake to provide the Bank with a valid license if required.

## Fees and Charges

| Types of Fees and Charges                                                                                                               | Quantum                                                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| Issuance Commission                                                                                                                     | 0.1% per month or part thereof for validity of LC-i, Min: RM100                                           |
| Amendment                                                                                                                               |                                                                                                           |
| Extension of validity date                                                                                                              | 0.1% per month or part thereof for the extended period, Min: RM100                                        |
| Increase in amount                                                                                                                      | 0.1% per month or part thereof for the incremental value, Min: RM100                                      |
| Other amendments                                                                                                                        | Flat: RM50                                                                                                |
| Cancellation                                                                                                                            | RM50 flat                                                                                                 |
| Discrepancy fee for documents presented under our LC-i                                                                                  | <ul style="list-style-type: none"><li>• RM50 for RM denominated LC-i</li><li>• USD50 equivalent</li></ul> |
| Handling fee for issuance and amendment of LC-i in hardcopy i.e. mode of transmission is mail/courier (applicable to all types of LC-i) | RM100                                                                                                     |

- Please request from your Relationship Manager for the Bank's Standard Fees and Charges. Or visit our website at <http://www.exim.com.my/>

## What if I fail to fulfil my obligation?

- The Letter of Credit-i will not be issued.
- The Bank may suspend your facility when you default on your payment.

For other obligation, please refer to your Letter of Offer.

## 3. Know Your Risk

- Delayed of shipping documents called under LC-i may result in demurrage charges being imposed on you during clearance of goods at a later stage.
- Goods purchased or imported may not be in accordance to your sale contract and the Bank has no obligation to verify/ validate such event as the Bank only deals with documents. The Bank however has the sole right to accept/ reject any discrepant documents.

## 4. Other Key Terms

- Collateral: The Bank may require you to provide collateral which is acceptable by the Bank.
- Takaful Coverage: You are obliged to subscribe to any appropriate Takaful coverage, unless there is no availability of Takaful and subject to the Bank's internal requirements.
- Changes to Contact Details: It is important to inform the Bank of any changes to your contact details to ensure that all correspondences reach you in a timely manner.

## Assistance and Redress

If you have complaints or need assistance, you can contact:



Export-Import Bank of Malaysia Berhad

+603 2601 2000  
 communications@exim.com.my  
 www.exim.com.my



Agensi Kaunseling dan Pengurusan Kredit (AKPK)  
 For free services such as credit counselling, financial education and debt restructuring for SMEs

+603 2616 7766  
 https://services.akpk.org.my



Bank Negara Malaysia LINK or TELELINK  
 If your complaint is not satisfactorily resolved by the Bank

1-300-88-5465  
 bnmtelink@bnm.gov.my



Financial Market Ombudsman Service (FMOS)

+603 2272 2811  
 www.fmos.org.my

## It is your responsibility to:



Read and understand the key terms in the contract before you sign it.



Ensure you service your profit charges, pay mature bills, your monthly instalments and/or any other fees and charges (if any) timely and in full throughout the financing/facility tenure. Speak to us if you wish to settle your financing earlier.



Contact us immediately if you are unable to pay your dues/monthly instalment on time.

Disclaimer: The information, terms and conditions in this product disclosure sheet are indicative and not binding on the Bank. The final terms and conditions shall be stipulated in the Letter of Offer/Facility Letter/Master Agreement after proper credit assessment and final approval by the Bank's management.

## IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAIL TO SERVICE YOUR PAYMENT FOR THE FACILITY ON A REGULAR BASIS

### Customer's Acknowledgement\*

Ensure you are filling this section yourself and are aware of what you are placing your signature for.

☐

I acknowledge that EXIM Bank has provided me with a copy of the PDS

☐

I have read and understood the key information contained in this PDS

\*A customer's acknowledgement of this PDS shall not prejudice his/her right to seek redress in the event of subsequent dispute over the product terms and conditions.

Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

Company Stamp