

## PRODUCT DISCLOSURE SHEET



# Back to Back Letter of Credit

(Please read and understand this Product Disclosure Sheet together with the general terms and conditions governing the Back to Back Letter of Credit (BBLC) before you decide to take up this product. You are required to seek clarification with EXIM Bank's (Bank) Relationship Manager assigned to you on any of the terms and conditions governing the said product. Please ensure that you have fully understood the product and the terms and conditions are suited to your loan and/or business requirement.)

### 1. What is this product about?

Back to Back Letter of credit (BBLC) is a type of letter of credit issued to cater for international trade transaction involving the middlemen arrangement. It allows you to secure the delivery of goods from the actual supplier or to purchase the required goods in the master letter of credit from your ultimate supplier.

### 2. What do I get from this product?

- You can secure the delivery of goods from the actual supplier.
- You can purchase the required goods in the master letter of credit from your ultimate supplier.

### 3. What are my obligations?

You are required to ensure your bank's limit is active and adequate for utilisation.

### 4. What are the fees and charges I have to pay?

No.	Type of Fees and Charges	Quantum
1.	Issuance commission	0.1% per month or part thereof; Min: RM200 (for drawing up to original LC amount)
2.	Amendment <ul style="list-style-type: none"><li>Extension of Validity Date;</li><li>Increase in amount;</li><li>Other amendments</li></ul>	<ul style="list-style-type: none"><li>0.1% per month or part thereof for the extended period; Min: RM50</li><li>0.1% per month or part thereof for the incremental value; Min: RM50</li><li>Flat: RM50</li></ul> <p>*For foreign denominated: USD50 equivalent</p>
3.	SWIFT Charges	RM70
4.	Postage / Delivery Charges <u>Local Party</u> <ul style="list-style-type: none"><li>Normal Mail</li><li>Registered Mail</li><li>Courier / Hand delivery</li></ul> <u>Foreign Party</u> <ul style="list-style-type: none"><li>Normal Mail</li><li>Registered Mail</li><li>Courier</li></ul>	<p>Min.RM3 Min.RM6 Min.RM7</p> <p>Min.RM4 Min.RM8 Min.RM50 – varies based on location</p>

Please request from your Relationship Manager for the Bank's Standard Fees and Charges on Conventional Products and Services. If there are any changes in fees and charges that are applicable to your facility, the Bank will notify you at least 21 calendar days prior to the effective date of implementation.

<b>5. What if I fail to fulfill my obligation?</b>	
Your business transaction will be disrupted.	
<b>6. What if I fully settled the loan before its maturity?</b>	
Not applicable.	
<b>7. Do I need insurance coverage</b>	
Not applicable.	
<b>8. What are the major risks?</b>	
Your business transaction as a middleman is exposed to a risk of non-delivery of the goods from the actual supplier/ultimate supplier to the buyer.	
<b>9. What do I need to do if there are changes to my contact details?</b>	
<p>a) It is important that you inform the Bank of any changes to your contact details to ensure that all correspondences reach you in a timely manner.</p> <p>b) You may inform the Bank such changes via various channels of communication such as the website or call centre at 03-2601 2000.</p>	
<b>10. Where can I get an assistance and redress?</b>	
<p>If you wish to complaint on the product or services provided by us, you may contact us at:</p> <p>Head, Corporate Communication Department Export-Import Bank of Malaysia Berhad Level 1, EXIM Bank, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia Tel: +603-26012000 Fax: +603-26012469 Website: <a href="http://www.exim.com.my">www.exim.com.my</a></p>	<p>If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:</p> <p>Blok D, Bank Negara Malaysia, Jalan Dato' Onn, 50480 Kuala Lumpur Tel: 1-300-88-5465 Fax: +603-2174 1515 Email: <a href="mailto:bnmtelelink@bnm.gov.my">bnmtelelink@bnm.gov.my</a></p>
<b>11. Where can I get further information?</b>	
<p>Additional information on Back to Back Letter of Credit is available at our office and corporate website: <a href="http://www.exim.com.my">www.exim.com.my</a></p> <p>If you have any enquiries, please contact us at:</p> <p>EXPORT-IMPORT BANK OF MALAYSIA BERHAD Level 1, EXIM Bank, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia Tel: +603-26012000 Fax: +603-26012469</p>	
<b>12. What are other types of Letter of Credit products available?</b>	
<ul style="list-style-type: none"> <li>• Letter of Credit</li> <li>• Letter of Credit Advising</li> <li>• Letter of Credit Collection</li> <li>• Letter of Credit Confirmation</li> <li>• Standby Letter of Credit</li> <li>• Letter of Credit Transfer</li> </ul>	
<b>IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAIL TO SERVICE YOUR PAYMENT FOR THE FACILITY ON DEMAND</b>	

The information provided in this disclosure sheet is valid as at 30 July 2021.