

PRODUCT DISCLOSURE SHEET

(Please read and understand this Product Disclosure Sheet together with the general terms and conditions governing the Specific Policy (SP) 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.)



Specific Policy

1. What is this product about?

Specific Policy (SP) is a credit insurance designed to protect the Participants against risk of non-payment by the Overseas /Malaysian contract awarder/Buyer. Participants are Malaysian exporters who undertake contract for export/ domestic contract.

2. What do I get from this product?

| Percentage Covered | Export | Domestic |
|---------------------------------|--|---|
| Type of Risk Covered | <p>Up to 90% for commercial and non-commercial risks.</p> <p>Commercial Risks:</p> <ul style="list-style-type: none"> • Insolvency of Buyer • Payment default by buyer within 6 months of goods delivered and accepted <p>Economic Risks</p> <ul style="list-style-type: none"> • Blockage or delay in payment transfer • Imposition of import restrictions • Cancellation of valid license <p>Political Risks</p> <ul style="list-style-type: none"> • Occurrence of war, between buyer's country and Malaysia • Occurrence of war, hostilities, revolution or other similar civil disturbances in the buyer's country <p>Unforeseeable Events</p> <ul style="list-style-type: none"> • Any other causes of loss occurring outside Malaysia, which are beyond control of either the exporter or the buyer | <p>Commercial Risks:</p> <ul style="list-style-type: none"> • Insolvency of Buyer • Payment default by buyer within 6 months of goods delivered and accepted <p>Economic Risks</p> <ul style="list-style-type: none"> • Delay in transfer of payments due to currency inconvertibility |
| Payment Term | Irrevocable Letter of Credit ("ILC"), Documents Against Payment ("DP"), Documents Against Acceptance ("DA") and Open Account ("OA"). | |
| Commencement of Cover | The protection starts either from the date of contract or the date of shipment. | |
| Type of Export/Contract Covered | <ul style="list-style-type: none"> • One-off contract but may be repetitive in nature project or revolving during the contract period. • Minimum local content of 30% of the contract value. | <p>One-off contract which may have repetitive shipments and revolving in nature subject to the coverage period being within the contract validity and the loss amount to be within the approved limit or authority whichever is earlier.</p> |

4. How much do I have to pay for the Insurance premium?

Your premium depends on the following criteria;

- Terms of payment
- Market grading
- Trading and claim experience
- Whole Turnover or Selective Policy

Please contact our Relationship Manager for more information.

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

Where applicable;

| No. | Type of Fees and Charges | Quantum |
|-----|---|---|
| 1. | Processing Fee | RM1,000 per application Above fee is not applicable for SME customer |
| 2. | SWIFT Charges | RM70 |
| 3. | Stamp Duty | RM10 in Malaysia and/or stamping requirement in other jurisdiction (if applicable). |
| 4. | Postage / Delivery Charges | |
| | <u>Local Party</u> | |
| | <ul style="list-style-type: none"> • Normal Mail • Registered Mail • Courier / Hand delivery | Min.RM3 Min.RM6 Min.RM7 |
| | <u>Foreign Party</u> | |
| | <ul style="list-style-type: none"> • Normal Mail • Registered Mail • Courier | Min.RM4 Min.RM8 Min.RM50 – varies on location |

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.

6. What if I fail to fulfill my obligation?

Your Insurance Policy cannot be enforced. Hence, the business transaction is not covered by us.

7. Can I cancel the Insurance Policy?

You may cancel your policy at any time by giving written notice to us.

8. What will happen to my premium upon cancellation of the policy?

You are entitled for a refund of the premium based on unexpired period of Insurance subject to terms and conditions of the policy.

9. What do I need to do if there are changes to my contact details?

- 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.
- You may inform the Bank such changes via various channels of communication such as the website or call centre at 03-2601 2000.

10. Where can I get an assistance and redress?

If you wish to complaint on the product or services provided by us, you may contact us at:

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: www.exim.com.my

If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:

Blok D, Bank Negara Malaysia,
 Jalan Dato' Onn,
 50480 Kuala Lumpur
 Tel: 1-300-88-5465
 Fax: +603-2174 1515
 Email: bnmtelelink@bnm.gov.my

11. Where can I get further information?

Additional information on Specific Insurance is available at our office and corporate website: www.exim.com.my

If you have any enquiries, please contact us at:

EXPORT-IMPORT BANK OF MALAYSIA BERHAD

Level 1, EXIM Bank, Jalan Sultan Ismail,

50250 Kuala Lumpur, Malaysia

Tel: +603-26012000

Fax: +603-26012469

12. What are other types of credit insurance products available?

- Bank Letter of Credit Policy
- Bankers Trade Credit Insurance
- Overseas Investment Insurance
- Trade Credit Insurance

IMPORTANT NOTE: YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE RELATIONSHIP MANAGER FOR MORE INFORMATION. WE SHALL INCUR NO LIABILITY IN THE EVENT THAT YOU FAIL TO MAKE PAYMENT ON PREMIUM CHARGED BY US ON A RESPECTIVE COVERAGE.

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