

## PRODUCT DISCLOSURE SHEET

(Please read and understand this Product Disclosure Sheet together with the general terms and conditions governing the Standby Letter of Credit-*i* (SBLC-*i*) 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 financing and/or business requirement.)



# Standby Letter of Credit-*i*



### 1. What is this product about?

Standby Letter of credit-*i* (SBLC-*i*) is a guarantee of payment made by a Bank (as Issuer) on behalf of you should you fails to honour your contractual commitment with a third party (Beneficiary).

### 2. What are the applicable Shariah contracts/concepts for this product?

- The Shariah concept applicable to Standby Letter of Credit-*i* (SBLC-*i*) is *Kafalah*.
- *Kafalah* refers to a contract where the guarantor conjoins the guaranteed party in assuming the latter's specified liability.

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

<b>Guarantee Amount</b>	Depending on the contract requirement.
<b>Tenure</b>	Up to the requirement of the contract or funding requirement for the investment project.
<b>Currency</b>	USD, EURO, RM and other appropriate currencies.

### 4. What are my obligations?

- You shall indemnify us against all liabilities in relation to payment made under the claimed SBLC-*i*.
- You are required to ensure your SBLC-*i* limit is active and adequate for utilisation.

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

No.	Type of Fees and Charges	Quantum
1.	Issuance Commission	Min: 1% subject to customer credit ratings
2.	Amendment (Extension of Validity Date, Increase in Amount, Other Amendments)	
3.	SWIFT Charges	RM70
4.	Stamp Duty	RM10 in Malaysia and/or stamping requirement in other jurisdiction (if applicable).
5.	Postage / Delivery Charges	
	<u>Local Party</u>	
	• Normal Mail	Min.RM3
	• Registered Mail	Min.RM6
	• Courier / Hand delivery	Min.RM7
	<u>Foreign Party</u>	
	• Normal Mail	Min.RM4
	• Registered Mail	Min.RM8
	• Courier	Min.RM50 – varies based on location
6.	Variation of Facility Terms and Condition	Min.RM300 (Not applicable to SME Customer)

Please request from your Relationship Manager for the Bank's Standard Fees and Charges on Islamic 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?

We shall charge you a compensation for late payment:

### **After Maturity/ Post Judgement**

Bank's actual loss or up Islamic Interbank Money Market ("IIMM") rate or any other rate specified by Bank Negara Malaysia:-

i. on the amount claimed beyond the date of payment by the Bank; or

Formula: **\*\***Amount claimed beyond the date of payment of the bank x Prevailing IIMM% x No. of overdue day(s)/**\***365

ii. on the amount claimed after the judgement notwithstanding the date of payment by the Bank

Formula: **\*\*\***Amount claimed after the judgement x Prevailing IIMM% x No. of overdue day(s)/ **\***365

The Compensation for Late Payment shall not be compounded.

**Note:** \*May change subject to currency of the facility

\*\*Claimed Amount = Amount Paid by the Bank

\*\*\*Amount claimed after the judgement is equivalent to Amount paid by the Bank.

## 7. What if I fully settle the financing before its maturity?

Not applicable.

## 8. Do I need takaful coverage?

Not applicable.

## 9. What are the major risks?

- Your collateral pledged with the bank shall be liquidated to settle the claimed amount;
- Legal action shall be taken upon your failure to regularize or settle the claimed amount ;and
- You shall bear all the costs incurred construed to the legal action against you.

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

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

## 11. 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](http://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](mailto:bnmtelelink@bnm.gov.my)

## 12. Where can I get further information?

Additional information on Standby Letter of Credit-*i* is available at our office and corporate website:  
[www.exim.com.my](http://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

## 13. What are other types of guarantee product available?

- Bank Guarantee-*i*
- Shipping Guarantee-*i*

**IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU FAIL TO SERVICE YOUR PAYMENT FOR THE FACILITY ON DEMAND**

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