

## PRODUCT DISCLOSURE SHEET

(Please read and understand this Product Disclosure Sheet together with the general terms and conditions governing the Bank Guarantee-*i* (BG-*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.)



## Bank Guarantee-*i*



### 1. What is this product about?

Bank Guarantee-*i* (BG-*i*) is a guarantee facility that is available to facilitate the issuance of bonds (guarantee) for overseas projects/ contracts undertaken by Malaysian companies/contractors and also to enable Malaysian investors to raise funds overseas.

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

- The Shariah concept applicable to Bank Guarantee-*i* (BG-*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 to the contract requirement.
<b>Tenure</b>	Up to the requirement of the contract or funding requirement of 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 payments made under the claimed BG-*i*. Payment shall be made with immediate effect.
- You are required to ensure your BG-*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 / Renewal / Commission	a) As per letter offer – charged from effective date to end of claims period, Min: RM100 Min: RM100 for issuance of BG- <i>i</i> against counter guarantee Max: 3.0% per year
2.	Amendment	RM100 flat per amendment
3.	Claims under BG- <i>i</i> (Handling Fee)	RM50 per claim (to be charged on applicant)
4.	Lost BG- <i>i</i>	RM100 flat
5.	Handling Charges for non-standard format	RM300 flat
6.	SWIFT Charges	RM70
7.	Stamp Duty	RM10 in Malaysia and/or stamping requirement in other jurisdiction (if applicable).

No.	Type of Fees and Charges	Quantum
8.	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>	Min.RM3 Min.RM6 Min.RM7  Min.RM4 Min.RM8 Min.RM50 – varies on location
9.	Variation of Facility Term	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:  $\frac{\text{**Amount claimed beyond the date of payment of the bank} \times \text{Prevailing IIMM\%} \times \text{No. of overdue day(s)}}{365}$

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

Formula:  $\frac{\text{***Amount claimed after the judgement} \times \text{Prevailing IIMM\%} \times \text{No. of overdue day(s)}}{365}$

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 settled the financing before its maturity?

Not applicable.

#### 8. Do I need takaful coverage?

Not applicable.

#### 9. What are the major risks?

- Payment of the called BG-*i* shall be immediate and on-demand;
- Should you fail to make payment on the demand date, you shall be charged compensation for late payment (*Ta'widh*) until full settlement;
- Your pledged collateral 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 Bank Guarantee-*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 products available?

- Standby Letter of Credit-*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.