

Export Negotiation Product Disclosure Sheet

<p>PRODUCT DISCLOSURE SHEET Read this Product Disclosure Sheet (PDS) before you decide to take up the Export Negotiation. Be sure to also read the terms in the letter of offer. Seek clarification from your Relationship Manager / Business Manager if you do not understand any part of this document or the general terms.</p>	<p>Alliance Bank Malaysia Berhad (“ABMB” or “Bank”) EXPORT NEGOTIATION Date: _____</p>
<p>1. What is this product about?</p>	
<p>Export Negotiation provides financing for your local sales and/or exports where the method of payment is letter of credit. Financing is against strict compliant documents presented under a Letter of Credit (LC) issued by a reputable bank. The Letter of Credit must be a freely negotiable LC or restricted to the counter of the Bank or LC confirmed by the Bank.</p>	
<p>2. What do I get from this product?</p>	
<ul style="list-style-type: none"> • Financing Amount (RM) : Financing of documents presented under LC issued by a bank acceptable to the Bank. • Margin of Financing : 100% of drawing under the LC or such other margin as approved by the Bank. • Interest Rate : Foreign Currency Rate (FCR) + ____ % calculated per annum (foreign currency) or Base Lending Rate (BLR) + ____ % calculated per annum (Ringgit). • Period of Financing : <ul style="list-style-type: none"> • Sight Bill – from date of negotiation until receipt of LC proceeds, not exceeding 14 days. • Term Bill – upon discounting (after acceptance by the Issuing Bank), up to the accepted maturity date. 	
<p>3. What are my obligations?</p>	
<ul style="list-style-type: none"> • The financing is expected to be self-liquidating from the LC proceeds received from the Issuing Bank. • The financing is with recourse on you, i.e. in case of non-receipt of the proceeds you are required to settle the financing using your own funds. 	
<p>4. What are the fees and charges I have to pay?</p>	
<ul style="list-style-type: none"> • Interest Rate: FCR + ____ % calculate per annum (foreign currency) or BLR + ____ % calculated per annum (Ringgit). <u>For Sight Bill</u> - interest will be accrued and settle upon receipt of LC proceeds or upon settlement. <u>For Term Bill</u> - interest will be collected upfront upon negotiation. • Commission of 0.1% flat. Minimum RM50.00. Maximum RM100.00 (foreign currency bill) or RM500.00 (Ringgit bill) plus postage RM10.00. 	
<p>5. What if I fail to fulfill my obligations?</p>	
<ul style="list-style-type: none"> • Overdue Interest Rate at FCR + 3.50% (foreign currency) or BLR + 3.50% (Ringgit). 	
<p>6. What if I fully settle the Export Negotiation before its maturity?</p>	
<ul style="list-style-type: none"> • Not Applicable. 	
<p>7. Do I need any insurance/takaful coverage?</p>	
<ul style="list-style-type: none"> • You are advised to take up insurance coverage for the goods to the terms in the LC (Letter of Credit) 	
<p>8. What are the major risks?</p>	

- Documents which are not in complying presentation (Discrepant) may be rejected by the Issuing Bank.
- You are exposed to foreign exchange risk if the bill financed in foreign currency.
- Country and bank risks of the LC Issuing Bank.

9. Do I need a collateral or guarantor?

- Not Applicable.

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

- It is important that you inform us any change in your contact details to ensure that all correspondences reach you in a timely manner.

11. Where can I get assistance and redress?

- Should you require additional information about trade finance facilities and services, you may contact our business relationship managers at the business banking centres or refer to our website at www.alliancebank.com.my. If you have any queries, please contact us at:

Alliance Bank Malaysia Berhad
Customer Care Unit
Level 7, Menara Multi-Purpose, Capital Square
No. 8 Jalan Munshi Abdullah
50100 Kuala Lumpur
Tel: +603 5624 3888 (Overseas) / 1-300-80-3388 (Malaysia)
Email: info@alliancebg.com.my

- Alternatively, you may seek the services of Agensi Kaunseling Dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individual. You may contact AKPK at:

Menara Bumiputra-commerce,
Tingkat 5 dan 6, Jalan Raja Laut,
50350 Kuala Lumpur
Tel: 03-2616 7766
Email: enquiry@akpk.org.my

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

Block D, Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
Tel: 1-300-88-5465
Fax: +603-21741515
Email: bnmtelelink@bnm.gov.my

12. Where can I get further information?

- If you have any enquiries or require further clarification, please contact our business relationship managers at the business banking centres.

13. Other loan/financing packages available?

- Bankers Acceptance
- Trust Receipt
- Letter of Credit
- Export Bill Purchased/Discounted
- Foreign Currency Trade Loan
- Export Credit Refinancing
- Promissory Notes

- Shipping Guarantee
- Bank Guarantee
- Vendor Financing

IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOUR FAIL TO FULFILL YOUR OBLIGATIONS

The information provided in this disclosure sheet is valid as at the date herein or until _____. All calculations and information above are for illustration purpose only.

Disclaimer: The actual amount of financing, tenure and interest rate to be provided by ABMB is dependent upon credit evaluation by ABMB. The transmission of the Product Disclosure Sheet to you does not create any obligation by ABMB to grant you any facilities.