PRODUCT DISCLOSURE SHEET

(Please read and understand this Product Disclosure Sheet together with the general terms and conditions governing the Letter of Credit Transfer (LCT) before you decide to take up this service. 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.)



Letter of Credit Transfer

1. What is this product about?

Letter of Credit Transfer (LCT) is a service that allows you (1st Beneficiary) to transfer in full or partial amount of the letter of credit to another beneficiary (2nd Beneficiary).

2. What do I get from this product?

- Enable you (Trader/Middleman) to control the trade transaction better and arrange similar terms in procuring the goods from the supplier/manufacturer to be delivered to the buyer.
- Allow you as the first beneficiary to change the invoice and draft if any, to meet the terms and conditions of the master LC to get payment.

3. What are my obligations?

- You are required to ensure that the terms and condition of the master letter of credit can be complied with before request it to be transferred.
- You are required to pay our transferring commission.

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

No.	Type of Fees and Charges	Quantum
1.	Transferring Commission - Transfer of Original LC	0.15% flat on the transfer amount Min: RM200 (financing customers) Min: RM300 (non-financing customers)
2.	Amendment	• RM100
3.	Inwards Bills LC/Usance LC Collection Commission	For Local 2nd Beneficiary 0.1% flat, Min: RM100; Max: USD150 equivalent for Foreign Currency Max: RM300 for Ringgit Malaysia For Foreign 2nd Beneficiary Flat RM50 or equivalent
4.	SWIFT Charges	RM70
5.	Postage / Delivery Charges Local Party Normal Mail Registered Mail Courier / Hand delivery Foreign Party Normal Mail Registered Mail	Min.RM3 Min.RM6 Min.RM7 Min.RM4 Min.RM8
	Courier	Min.RM50 – varies based 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.

5. What if I fail to fulfill my obligation?

You're required to pay for all charges incurred by us when the transferred letter of credit does not comply with the terms and conditions of the original letter of credit.

6. What if I fully settle the loan before its maturity?

Not applicable.

7. Do I need insurance coverage?

Not applicable.

8. What are the major risks?

You are exposed to risk of delay in delivery of goods as a result from non-compliance of presentation of the transferred letter of credit to the 2nd Beneficiary.

9. 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, branches 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 Letter of Credit Transfer 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 letter of credit products and services available?

- · Letter of Credit Advising
- Letter of Credit Confirmation
- Letter of Credit Collection

<u>IMPORTANT NOTE:</u> 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.