

PRODUCT DISCLOSURE SHEET

(Please read and understand this Product Disclosure Sheet together with the general terms and conditions governing the Bankers Trade Credit Insurance (BTCI) 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.)



Bankers Trade Credit Insurance

1. What is this product about?

Bankers Trade Credit Insurance (BTCI) is a credit insurance designed to protect the Financial Institutions (FIs) against risk of non-payment by the exporter/importer arising from default by the overseas buyers or due to commercial risk. The facility is available for a trade finance facility against the trade transaction on Open Account, Documentary Collection and Letter of Credit.

2. What do I get from this product?

	Export	Import
Percentage Covered	<ul style="list-style-type: none"> 70% of the Export Bill or Advances; and 95% of Letter of Credit Value. 	<ul style="list-style-type: none"> Up to 90% of loss suffered
Type of Risk Covered	<p>Commercial Risks:</p> <ul style="list-style-type: none"> Protracted default of Buyer/Exporter Insolvency of Buyer/Exporter Non-honoring of the LC <p>Country & Political Risk</p> <ul style="list-style-type: none"> Transfer Risk Occurrence of war, revolution and civil disorder Default by public buyer (Government-owned) 	<p>Commercial Risks:</p> <ul style="list-style-type: none"> Insolvency of the local buyer/Malaysian Importer Protracted default of the local buyer/Malaysian Importer
Policy Period	The certificate is issued for 12 months and renewable on yearly basis.	
Commencement of cover	Risk exposures commence when the goods are shipped to Overseas Buyer.	Risk exposures commence upon the acceptance of the goods to Domestic Buyer.
Policy Period	12 months or other period acceptable by EXIM Bank and yearly renewable.	
Payment Term	Irrevocable Letter of Credit ("ILC"), Documents Against Payment ("DP"), Documents Against Acceptance ("DA") and Open Account ("OA").	

3. 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.

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

Where applicable;

No.	Type of Fees and Charges	Quantum
1.	<u>Export</u> <ul style="list-style-type: none"> Credit Limit Application (CLA) Fee Annual Review of Buyer 	<ul style="list-style-type: none"> RM250 per buyer RM250 per buyer
2.	<u>Import</u> <ul style="list-style-type: none"> Credit Limit Application (CLA) Fee Annual Review of Buyer 	<ul style="list-style-type: none"> RM50 per buyer RM50 per buyer
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> <ul style="list-style-type: none"> Normal Mail Registered Mail Courier / Hand delivery <u>Foreign Party</u> <ul style="list-style-type: none"> Normal Mail Registered Mail Courier	Min.RM3 Min.RM6 Min.RM7 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

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

Fax: +603-26012469

Website: www.exim.com.my

Email: bnmtelelink@bnm.gov.my

11. Where can I get further information?

Additional information on Bankers Trade Credit 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
- Trade Credit Insurance
- Specific Policy
- Overseas Investment Insurance

IMPORTANT NOTE: LEGA 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.