


PRODUCT DISCLOSURE SHEET

<p>Read this Product Disclosure Sheet before you decide to take up Bankers Acceptance facility with Bank of China (Malaysia) Berhad. Be sure to also read the general terms and conditions, including the terms in the letter offer.</p> <p>This Product Disclosure Sheet is to be used as a basis for continued discussions and does not constitute a commitment of Bank of China (Malaysia) Berhad to lend, arrange or syndicate a financing or an agreement to prepare, negotiate, execute or deliver such a commitment. The delivery of a commitment would be subject to, amongst others (i) satisfaction with the results of its due diligence processes, (ii) relevant credit approval(s), (iii) satisfaction that other Lender(s) would participate in the facility on the basis outlined in this document (if applicable) and (iv) relevant satisfactory financing documentation.</p> <p>The terms and conditions of this Product Disclosure Sheet may be modified or supplemented by Bank of China (Malaysia) Berhad at its discretion at any time and from time to time during the course of its due diligence and credit approval process or as a result of changed market conditions or otherwise.</p>	<div data-bbox="842 315 927 398"></div> <div data-bbox="948 315 1305 376"><p>中國銀行 马来西亚</p></div> <div data-bbox="938 376 1522 398"><p>BANK OF CHINA (MALAYSIA) BERHAD 200001008645 (511251-V)</p></div> <p>Product: Bankers Acceptance (BA)</p>
1. What is this product about?	
Bankers Acceptance (BA) is a bill of exchange drawn by the customers (buyers/importers/sellers/exporters) to their order, payable on a specific future date and accepted by Bank of China (Malaysia) Berhad (the Bank) for the purpose of financing business related purchases or sales of goods from or to another resident/non-resident entity (ies), evidenced by proper and adequate documentation.	
2. What do I get from this product?	
<ul style="list-style-type: none">a. For customers (buyers/importers/sellers/exporters)<ul style="list-style-type: none">▪ Develop business with limited working capital &▪ Speed up and accelerate cash flow to ease the funding pressure.b. BA is applicable to import, domestic purchase, export & domestic sales of goods.c. BA minimum amount of financing: MYR 50,000 or equivalent.d. BA minimum financing period: 21 days.	

3. What are my obligations?

- a. Complete set of commercial and/or financial document(s) presented to the Bank for BA loan drawdown request must be able to evidence genuine and current trade transaction(s) and must be acceptable by the Bank.
- b. Upon the Bank accepted of any BA presented by you, you shall pay to the Bank an acceptance commission at the applicable prescribed rate calculated on the face value of the relevant BA.
- c. You must settle the BA loan(s) on maturity date.
- d. Required to comply with the terms of the BA facility and the prevailing guidelines from time to time.
- e. You must declare that no other source of finance (including under a lease, hire purchase, or factoring agreement) has been or would be obtained for the trade transaction concerned, rollover the same invoice(s) for BA financing is prohibited.
- f. You certify that no shipment, person or transaction involved is in violation of any applicable sanction or embargo imposed by any laws, executive orders, regulations or directives of the Government and/or authorities of the United States of America, the United Nations, any international organization or any other relevant jurisdiction ("**Sanctions**") or any laws or regulations (including but not limited to laws, regulations, requirements or measures relating to anti-money laundering, foreign exchange or export control) and that you hold and undertake a valid license is required.
- g. You irrevocably authorizes the Bank to debit your account(s) for any sum owing or payable by you to the Bank. Any monies debited from your account(s) or otherwise received by the Bank for settlement of any obligation or liability of you may be converted into the currency of the relevant obligation or liability at the prevailing exchange rate determined by the Bank (or any other agreed exchange rate, if any) to effect such settlement.
- h. You are aware of and confirm that the transaction involved is in compliance with the Strategic Trade Act 2010 and all the regulations and requirement connected thereto. You shall indemnify and save the Bank harmless from and against all claims, actions, proceedings, liabilities, damages, losses, costs and expenses that in relation to any breach or non-compliance with Strategic Trade Act 2010.
- i. What are the cut-off time to observe for BA Application(s)?

Trade Product	Cut-Off Time
BA Application(s)	Before 11.30AM on same business day After 11.30AM on next business day
Important Note: <ul style="list-style-type: none">Same day processing subject to the BA application and relevant drawdown document are in order &Longer turnaround time will be applied for bulk submission.	

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

- a. BA Pricing
BA Cost of Funds (COF) + Acceptance Commission
The BA discounted proceeds shall be computed based on the formula below:-
$$P = \frac{FV (1 - r \times t)}{36500}$$

Where,
P = Discounted proceeds
FV = Face value of the BA
r = Rate of discount in percentage per annum
t = No of days remaining to maturity
- b. Please refer to the relevant Letter of Offer and our Standard Charges on International Trade Services Operations at <https://www.bankofchina.com.my/m/en-my/service/information/service-rates-and-tariffs/standard-charges-on-international-trade-services-operations.html> for full list of fees and charges.

5. What if I fail to fulfil my obligations?
<ul style="list-style-type: none"> ▪ You must settle the BA loan(s) on maturity date. In the event of default payments, then the Bank will charge you default rate as indicated in the Letter of Offer, from the due date for repayment until the date of receipt by the Bank of the full amount thereof. ▪ In the event that any matured BA(s) loan and any other trade bill are not settled on maturity date, the Bank reserves the right to disallow further utilisation of all trade lines until such time that all overdue BA loan(s) and trade bills are fully paid and your conduct of account must be up to the Bank's satisfaction. ▪ In the event of overdue triggered, you are subject to the Bank's customary overriding right of repayment on demand and legal proceedings may be commenced against you or any security party/ies. ▪ Right to set off: The Bank has the right to utilise any credit balance in your accounts maintained with the Bank to settle any outstanding amount under any facilities with the Bank. However, the set-off amount shall be notified to you prior to the set-off being effected.
6. What if I fully settled the facility before its expiry date?
<p>No interest shall be refunded for early settlement.</p>
7. Do I need a guarantor or collateral?
<ul style="list-style-type: none"> ▪ A guarantor is to be provided if required. ▪ Collateral is to be provided if required and must be acceptable to the Bank. <p>Note: The above requirements are depending on your credit worthiness.</p>
8. What are the major risks?
<p>Since BA facility is denominated in Ringgit Malaysia, you may exposed to foreign exchange fluctuation risk if your receivables are in foreign currencies.</p>
9. What do I need to do if there are changes to my contact details?
<p>It is important that the Bank is informed of any change in your business/ company's contact details to ensure that all correspondences reach your business/ company in a timely manner.</p>
10. Where can I get assistance and redress?
<p>a. If you have difficulties in making repayments, you should contact your dedicated Relationship Manager at the earliest possible to discuss repayment alternatives.</p> <p>b. Alternatively, you may seek the services of:</p> <ul style="list-style-type: none"> ▪ Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia as a one stop platform for both individuals and SMEs seeking debts restructuring services, as well as financial education and credit advisory. <p>You may contact AKPK at:</p> <p><u>Agensi Kaunseling dan Pengurusan Kredit (AKPK)</u> Address : Level 5 and 6, Menara Aras Raya (Formerly known as Menara Bumiputera Commerce), Jalan Raja Laut, 50350 Contact Number: 03-2616 7766 E-mail : enquiry@akpk.org.my</p> <p>c. To make a complaint on products or services offered, you may contact us at:</p> <ul style="list-style-type: none"> ▪ <u>Bank of China (Malaysia) Berhad</u> Address: 2nd Floor, Plaza OSK,

25, Jalan Ampang,
50450 Kuala Lumpur.

- Customer Service Centre
Contact Number: 03-2059 5566
Email : callcenter@bankofchina.com.my

You may be asked to provide further information or clarification from time to time and to cooperate in any investigation or any process carried out upon receipt of your complaints via any of the above channels.

- In the event you are still not satisfied with the response from the Bank, you may seek review with the following redress channel:

Bank Negara Malaysia (BNM)

Address : Bank Negara Malaysia, Jalan Dato' Onn, P.O.Box 10922, 50929 Kuala Lumpur.

Contact Number : 1-300-88-5465 (1-300-88-LINK) (Overseas: +603-2174 1717)

Facsimile : +603-2174 1515

Web form: (eLINK): <https://telelink.bnm.gov.my>

Website : www.bnm.gov.my

11. Where can I get further information?

Should you require additional information about taking up Bankers Acceptance, please refer to the *bankinginfo* booklet on "Small and Medium Enterprises – Financing Products for Your Business – Trade Financing", available at www.bankinginfo.com.my. Kindly take note that the information available in the *bankinginfo* booklet refers to types of financing products in general, and is not be an exact representation of products offered by the Bank.

For any further enquiries, please contact us at:

Bank of China (Malaysia) Berhad
Transaction Banking Department

Trade Product & Sales

3rd Floor, Plaza OSK,

25, Jalan Ampang,

50450 Kuala Lumpur.

Contact Number: 03-2387 8235 / 03-2387 8277 / 03-2387 8204

12. What other trade loans available?

Other trade finance solutions include (but not limited to):-

- Letter of Credit
- Bank Guarantee
- Account Receivable Financing
- Export Bill Purchase/ Discount
- Trust Receipt
- Onshore Foreign Currency Loan
- Pre-Shipment Financing
- Invoice Financing
- Shipping Guarantee
- Standby Letter of Credit
- Documentary Collection/ Purchase/ Negotiation

The information provided in this product disclosure sheet is valid as at 06/12/2023.