


PRODUCT DISCLOSURE SHEET

<p>Read this Product Disclosure Sheet before you decide to take up Invoice Financing (IF) 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="842 293 1525 376"><div><div>中國銀行 马来西亚</div><div>BANK OF CHINA (MALAYSIA) BERHAD 200001008645 (511251-V)</div></div></div> <p>Product: Invoice Financing (IF)</p>
1. What is this product about?	
<p>Invoice Financing (IF) provides short term trade working capital financing for buyer/importer or seller/exporter that trades on open account terms. IF in Bank of China (Malaysia) Berhad (the Bank) consists of Import Invoice Financing and Export Invoice Financing</p> <p>a. Import Invoice Financing (IIF) to finance import/domestic purchases of goods/services related to the customer (importer/buyer)'s nature of business on open account basis.</p> <p>b. Export Invoice Financing (EIF) to finance export/domestic sales of goods/services related to the customer (exporter/seller)'s nature of business on open account basis.</p>	
2. What do I get from this product?	
<p>a. IF basic product features; parameters & benefits:-</p> <ul style="list-style-type: none">IF i.e. IIF / EIF may improve business cash flow to minimize the gap of the trade working capital requirementIF i.e. IIF / EIF promote business growth with minimal capital injectionIF i.e. IIF / EIF offer better bargaining positionIF i.e. IIF / EIF offer higher product flexibility to address different types of business needs	

Loan Types	Short term trade working capital loans: Import Invoice Financing(IIF) & Export Invoice Financing (EIF)
Loan Currency	Malaysian Ringgit(MYR) or foreign currencies (FCY) that acceptable by the Bank
Financing Tenor	Not exceed 90 days
Financing Interest	Respective MYR/FCY cost of funds + margin
Financing Interest Collection Method	Financing interests is accrued over the duration of the IIF or EIF loan(s), collected upon settlement of IIF or EIF loan(s) prior or on the maturity date.
Loan Drawdown Document	Commercial invoice(s), evidence of delivery(ies) & any other document(s) that requested by the Bank
Margin of Financing	Not exceed 100% of the net invoiced value
Disposal of IIF/EIF Loan Drawdown Proceeds	The Bank shall disburse the IIF/EIF loan proceeds only after verifying bona fide trade: a.IIF loan proceeds should be paid to seller/exporter directly. b. EIF loan proceeds should be credited into the customer's account that held with the Bank.
Source of Repayment	a. Relevant sales proceeds/export proceeds should be paid to the IIF/EIF customer's account that held with the Bank for repayment of IIF/EIF loan(s) before/on maturity date; or b. IIF/EIF customer's own cash flow.

3. What are my obligations?

- a. You will be the primary obligor to make full repayment of IIF / EIF loan(s) no later than maturity date when you have granted IIF/EIF facility from the Bank and you are obliged to ensure each underlying transactions are genuine and have not obtained or will not obtain another source of financing, inclusive financing pursuant to a lease, hire purchase or factoring agreement.
- b. IIF / EIF loan(s) drawdown is subject to:
 - You are obliged to submit IIF / EIF application for drawdown of loans/advances under the IIF / EIF facility duly completed and signed by the authorized signatory/ies together with the relevant trade documents that are prescribed and acceptable by the Bank (e.g. invoice, evidence of delivery); and
 - The IIF / EIF application and its underlying transactions must compliance with all the conditions stipulated by the Bank.
- c. IIF / EIF loan(s) repayment:-
 - You shall repay the IIF / EIF loan(s) and any accrued interest to the Bank on maturity date and subject to the Bank's overriding right of demand.
 - All break funding costs that are related to the early settlement/ prepayment of the IIF / EIF loan(s) shall be borne and paid by you.
- d. What are the cut-off time to observe for IF Application(s)?

Trade Product	Cut-Off Time
IIF Application(s)	Before 11.30AM on same business day After 11.30AM on next business day
EIF 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 IIF / EIF 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?
<p>a. IIF/EIF Interest / Commission / Fees / Other Charges:-</p> <ul style="list-style-type: none"> Interest at% per annum above respective currency Cost of Funds ("COF") [shall be payable on the maturity date of IIF / EIF loan(s)] Document handling Fees at 0.10% flat on drawdown amount (minimum RM100 and maximum RM200). <p>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.</p>
5. What if I fail to fulfil my obligations?
<ul style="list-style-type: none"> You must settle the IIF/ EIF 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 IIF/ EIF loan(s) 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 IIF/ EIF 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?
You may opt for early settlement and relevant break funding cost shall be borne by you.
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?
If the IF financing is denominated in RM, you may be exposed to foreign exchange fluctuation risk if your receivables are in foreign currencies.
9. What do I need to do if there are changes to my contact details?
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
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></p>

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

c. To make a complaint on products or services offered, you may contact us at:

- Bank of China (Malaysia) Berhad
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 Invoice Financing, 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
- Banker's Acceptance
- Onshore Foreign Currency Loan
- Pre-Shipment 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.