


## PRODUCT DISCLOSURE SHEET

<p>Read this Product Disclosure Sheet before you decide to take up <b>Onshore Foreign Currency Loan (OFCL)</b> 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"> <b>中國銀行</b> 马来西亚         </div> <div data-bbox="938 376 1520 398">             BANK OF CHINA (MALAYSIA) BERHAD 200001008645 (511251-V)         </div> <p><b>Product: Onshore Foreign Currency Loan (OFCL)</b></p>
<b>1. What is this product about?</b>	
<p>a. Foreign currency Onshore Foreign Currency Loan (OFCL) to finance purchase of goods in relation to the customer's normal line of business against LC issued by Bank of China (Malaysia) Berhad (the Bank), documents against Collection and/or documents against Direct Presentation and/or open account basis, acceptable by the Bank.</p> <p><u>OR</u></p> <p>b. Foreign currency Onshore Foreign Currency Loan (OFCL) to finance sale of goods in relation to the customer's normal line of business against Direct Presentation and/or open account basis, acceptable by the Bank.</p>	
<b>2. What do I get from this product?</b>	
<p><u>For importer / buyer</u></p> <p>a. OFCL is able to settle your payment obligation to exporter/seller prior the respective sales cycle completed. In return, your cash flow should be improved.</p> <p>b. You may consider to shorten the payment terms with exporter/seller by creation of OFCL. In return, you may consider to negotiate with exporter/seller for better pricing, etc.</p> <p><u>For exporter / seller</u></p> <p>a. OFCL is able to prepay exporter/seller against invoice(s) that pending payment from importer / buyer. In return, exporter/seller could consider to extend longer payment terms for importer/buyer. In return, sales may be improved.</p> <ul style="list-style-type: none"> <li>▪ Financing in most of the major currencies including CNY, USD, EUR, JPY, SGD and etc.</li> <li>▪ Financing up to 100% of your invoice value.</li> </ul>	

### 3. What are my obligations?

- You are required to apply OFCL facility limit with the Bank and subject to approval.
- The commencement of the first submission of OFCL drawdown request is subject to the OFCL facility limit availability, etc.
- You are obliged to submit OFCL application and drawdown documents that acceptable by the Bank and it must be duly completed and signed by the authorized signatory/ies.
- The eligible margin of financing is equivalent or less than 100% of the value of the invoice.
- For usance bill drawn under LC issued by the Bank or collection basis or direct presentation or open account basis convert to OFCL on payment due date, the total duration of usance bill and OFCL period shall not exceed the approved financing tenor.
- You are obliged to fully settle the OFCL on maturity date.
- You are obliged to ensure all the qualified drawdown document that submitted to the Bank for OFCL drawdown request have not obtained or will not obtain another source of financing, including financing pursuant to a lease, hire purchase or factoring agreement.
- What are the cut-off time to observe for OFCL Application(s)?

Trade Product	Cut-Off Time
OFCL Application(s)	Before 2.00PM on same business day After 2.00PM on next business day
Important Note: <ul style="list-style-type: none"><li>▪ Same day processing subject to the OFCL application and relevant drawdown document are in order &amp;</li><li>▪ Longer turnaround time will be applied for bulk submission.</li></ul>	

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

- OFCL pricing:-  
Respective Foreign Currency Cost of Fund + margin
- OFCL financing interest calculation method:-  
$$I = \frac{P \times R \times T}{360 \text{ or } 365}$$
  
Where,  
I = Interest  
P = Principal Amount  
R = Rate of Interest in percent per annum  
T = Financing Tenor
- OFCL financing interest will be collected on OFCL settlement date. 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?

- You must settle the OFCL 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 OFCL(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 OFCL(s) and trade bills are fully paid and your conduct of account must be up to the Bank's satisfaction.

<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ 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.</li> </ul>
<b>6. What if I fully settled the facility before its expiry date?</b>
You may opt for early settlement and relevant break funding cost shall be borne by you.
<b>7. Do I need a guarantor or collateral?</b>
<ul style="list-style-type: none"> <li>▪ A guarantor is to be provided if required.</li> <li>▪ Collateral is to be provided if required and must be acceptable to the Bank.</li> </ul> <p>Note: The above requirements are depending on your credit worthiness.</p>
<b>8. What are the major risks?</b>
Fluctuation of foreign exchange rate if settlement is paid in RM.
<b>9. What do I need to do if there are changes to my contact details?</b>
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.
<b>10. Where can I get assistance and redress?</b>
<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"> <li>▪ 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.</li> </ul> <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 Kuala Lumpur.  Contact Number: 03-2616 7766  E-mail : <a href="mailto:enquiry@akpk.org.my">enquiry@akpk.org.my</a></p> <p>c. To make a complaint on products or services offered, you may contact us at:</p> <ul style="list-style-type: none"> <li>▪ <u>Bank of China (Malaysia) Berhad</u>  Address:  2<sup>nd</sup> Floor, Plaza OSK,  25, Jalan Ampang,  50450 Kuala Lumpur.</li> <li>▪ Customer Service Centre  Contact Number: 03-2059 5566  Email : <a href="mailto:callcenter@bankofchina.com.my">callcenter@bankofchina.com.my</a></li> </ul> <p>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.</p>

- 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](http://www.bnm.gov.my)

#### 11. Where can I get further information?

Should you require additional information about taking up Onshore Foreign Currency Loan, please refer to the *bankinginfo* booklet on "Small and Medium Enterprises – Financing Products for Your Business – Trade Financing", available at [www.bankinginfo.com.my](http://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

3<sup>rd</sup> 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
- 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.