Export Credit Refinancing
Product Disclosure Sheet

PRODUCT DISCLOSURE SHEET Read this Product Disclosure Sheet (PDS) before you decide to take up **Export Credit Refinancing**. Be sure to also read the terms in the letter of offer. Seek clarification from your Relationship Manager / Business Manager if you do not understand any part of this document or the general terms.	**Alliance Bank Malaysia Berhad ("ABMB" or "Bank")** **EXPORT CREDIT REFINANCING (ECR)** Date:_____

1. What is this product about?

Export Credit Refinancing is a product of Export-Import Bank of Malaysia (EXIM), extended to eligible exporters through the Export Credit Refinancing Limit granted to you under your Trade Finance Credit Facility. ECR provides financing for pre-shipment and post-shipment.

Pre-shipment is available to direct/indirect exporters to fund purchase from local and/or foreign suppliers and overhead expenses incurred in relation to the production of eligible goods for export prior to shipment.

Post-shipment is available to direct exporters who export eligible products on sight or term upon presentation of export documents after shipment of goods.

This is a product of Export-Import Bank of Malaysia (EXIM), extended to eligible exporters through the Export Credit Refinancing Limit granted to you under your Trade Finance Credit Facility. You may start to use your limit upon approval of your application for access to Export Credit Refinancing Facility with EXIM. This product is guided by the ECR Guidelines issued by EXIM.

2. What do I get from this product?

- Financing Amount (RM) : Financing is against invoice and supporting documents evidencing delivery of goods on open account, collection and/or Letter of Credit.
- Margin of Financing : 100% of invoice value.
- Interest Rate : ECR Funding Rate + ____ % calculated per annum. Currently ECR Funding Rate is _____% p.a.
- Period of Financing :
  i. <u>Pre-shipment:</u>
     - Order Based Method – according to approved tenor in the ECR Limit, maximum 120 days.
     - Certificate of Performance Method – according to the financing period specified in the Certificate of Performance.

  ii. <u>Post-shipment:</u>
     - From the date of presentation of export documents until maturity of the export bill. Minimum 7 days and maximum of 183 days.

3. What are my obligations?

- **Pre-shipment**
  Payment on maturity date or payment prior to maturity upon receipt of export proceeds and/or post-shipment proceeds and/or your own funds.
- **Post-shipment**
  The financing is expected to be self-liquidated from the export proceeds received from your buyer. However, in case of non-receipt of the proceeds you are required to settle the financing using your own funds.

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

- Interest Rate: ECR Funding Rate (EXIM) + ____ % calculate per annum.
  i. Pre-shipment: Interest will be accrued and collected at the end of every month.
  ii. Post-shipment: Interest will be collected upfront upon discounting.
- EXIM Bank Charges of RM10.00. Rentas fee of RM5.00 where applicable. 0.05% commission on drawdown amount.

5. What if I fail to fulfill my obligations?

- Overdue Interest Rate at prevailing current account excess rate, i.e. BLR + 3.50% on overdue amount.
- Right to set-off – ABMB has right to set-off any credit balance in one account to regularise the arrears in the Trade Facilities account.
- ABMB has right to commence legal action against you and guarantor (if any) and liquidate/foreclose the collateral provided (if any).

6. What if I fully settle the Export Credit Refinancing before its maturity?

- You may fully settle at any point of time during the tenor of the ECR, interest will be charged based on the period financed only.

7. Do I need any insurance/takaful coverage?

- You are advised to take up insurance coverage for the goods under this ECR at your own cost.

8. What are the major risks?

- Non-receipt of sale/export proceeds.
- You are exposed to foreign exchange risk if the bill financed is in foreign currency.
- Sovereign and bank risks of the overseas buyers.

9. Do I need a collateral or guarantor?

- Collateral: Yes
- Guarantor: Subject to discretion and credit evaluation by ABMB.

10. What do I need to do if there are changes to my contact details?

- It is important that you inform us of any change in your contact details to ensure that all correspondence reaches you in a timely manner.

11. Where can I get assistance and redress?

- If there are any service-related queries or complaints, you may call us at +603 5516 9988 (Malaysia), available 8:00 a.m. to 10:00 p.m. daily.
- If the customer's query or complaint is not satisfactorily solved by the Bank, the customer may contact BNMLINK at:

Bank Negara Malaysia Peti Surat 10922 50929 Kuala Lumpur	Tel.: 1-300-88-5465 **(Malaysia)** or +603 2174 1717 **(Overseas)** Operating Hours: 9:00 a.m. – 5:00 p.m. (Monday – Friday except public holiday) Website: bnmlink.bnm.gov.my

- Alternatively, you may seek the services of Agensi Kaunseling Dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counseling, financial education and debt restructuring for individual. You may contact AKPK at:

Agensi Kaunseling Dan Pengurusan Kredit (AKPK) Menara Aras Raya (formerly known as Menara Bumiputra-Commerce), Tingkat 1, Jalan Raja Laut, 50350 Kuala Lumpur	Tel.: +603 2616 7766 Operating Hours: 9.00 a.m. - 5.00 p.m. (Monday – Friday except public holiday) Website: www.akpk.org.my

12. Where can I get further information?

For further assistance, please call our Business Banking Contact Centre or visit any Alliance Bank branches.

Business Banking Contact Centre	Tel.: 1-300-80-3388 **(Malaysia)** or +603 5624 3888 **(Overseas)** Operating hours: 9:00 a.m. to 6:00 p.m. (Monday – Friday except public holiday) Email: bbcc@alliancefg.com
Bank Branches	Operating Hours: 9:15 a.m. to 4:15 p.m. (Peninsular Malaysia) 9:00 a.m. to 4:00 p.m. (East Malaysia) (Monday – Friday except public holiday)

13. Other loan/financing packages available?

- Bankers Acceptance
- Trust Receipt
- Letter of Credit
- Export Bill Purchased/Discounted
- Foreign Currency Trade Loan
- Export Negotiation
- Promissory Notes
- Shipping Guarantee
- Bank Guarantee
- Vendor Financing

IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOUR FAIL TO FULFILL YOUR OBLIGATIONS

The information provided in this disclosure sheet is valid as at the date herein or until _____. All calculations and information above are for illustration purpose only.

Disclaimer: The actual amount of financing, tenure and interest rate to be provided by ABMB is dependent upon credit evaluation by ABMB. The transmission of the Product Disclosure Sheet to you does not create any obligation by ABMB to grant you any facilities.