

# **Promissory Note Product Disclosure Sheet**

<p><b>PRODUCT DISCLOSURE SHEET</b></p> <p>Read this Product Disclosure Sheet (PDS) before you decide to take up the <b>Promissory Note</b>. 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.</p>	<p><b>Alliance Bank Malaysia Berhad (“ABMB” or “Bank”)</b></p> <p><b>PROMISSORY NOTE</b></p> <p>Date: _____</p>
<p><b>1. What is this product about?</b></p>	
<p>Promissory Note provides financing for:</p> <ul style="list-style-type: none"> <li>• Purchases/Sales against Letter of Credit (LC), collection and open account confirmed contracts or order, etc.</li> <li>• Debts or trade receivables</li> <li>• Purchase of capital goods, e.g. machinery and plants for short term, tenor in accordance to the Contract Agreement/Letter of Offer, but in any case, not exceeding 1 year.</li> <li>• Services rendered.</li> <li>• Financing invisibles (freight charges, insurance, warehousing, utilities etc.) which are related to a trade transaction.</li> <li>• Financing is available in major foreign currencies or in Ringgit Malaysia. This product is available via the Promissory Note Limit granted to you under your Trade Finance Credit Facility.</li> </ul>	
<p><b>2. What do I get from this product?</b></p>	
<ul style="list-style-type: none"> <li>• Financing Amount (RM) : Financing is against invoice and supporting documents evidencing delivery of goods/services, where applicable and/or other supporting documents approved by the Bank.</li> <li>• Margin of Financing : 100% of invoice value or such other margin as approved</li> <li>• Interest Rate : Base Lending Rate (BLR) / Foreign Currency Rate (FCR) + ____ % calculated per annum.</li> <li>• Tenor : ____ days</li> </ul>	
<p><b>3. What are my obligations?</b></p>	
<ul style="list-style-type: none"> <li>• Full settlement on maturity the Promissory Note principal amount.</li> </ul>	
<p><b>4. What are the fees and charges I have to pay?</b></p>	
<ul style="list-style-type: none"> <li>• Interest Rate: BLR + ____ % per annum or FCR + ____ % calculated per annum.</li> <li>• Interest will be collected upfront during drawdown.</li> <li>• Postage of RM10.00.</li> </ul>	
<p><b>5. What if I fail to fulfill my obligations?</b></p>	
<ul style="list-style-type: none"> <li>• Overdue Interest Rate at 1.00% above prescribed rate.</li> <li>• 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.</li> <li>• ABMB has right to commence legal action against you and guarantor (if any) and liquidate/foreclose the collateral provided (if any).</li> </ul>	
<p><b>6. What if I fully settle the Promissory Note before its maturity?</b></p>	
<ul style="list-style-type: none"> <li>• You may make partial settlement at any point of time during the tenor of the Promissory Note; interest will be refunded for the remaining credit tenor based on the amount settled. However, you will be required to pay a breaking funding cost for unwinding of the fund position for foreign currency Promissory Note.</li> </ul>	
<p><b>7. Do I need any insurance/takaful coverage?</b></p>	

- You are required to take up full insurance coverage for the goods under the Promissory Note at your own cost.

#### 8. What are the major risks?

- You may be exposed to foreign exchange risk if the financing is in foreign currency.

#### 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 any change in your contact details to ensure that all correspondences reach you in a timely manner.

#### 11. Where can I get assistance and redress?

- Should you require additional information about trade finance facilities and services, you may contact our business relationship managers at the business banking centres or refer to our website at [www.alliancebank.com.my](http://www.alliancebank.com.my). If you have any queries, please contact us at:

**Alliance Bank Malaysia Berhad**  
**Customer Care Unit**  
**Level 7, Menara Multi-Purpose, Capital Square**  
**No. 8 Jalan Munshi Abdullah**  
**50100 Kuala Lumpur**  
**Tel: +603 5624 3888 (Overseas) / 1-300-80-3388 (Malaysia)**  
**Email: [info@alliancebg.com.my](mailto:info@alliancebg.com.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 counselling, financial education and debt restructuring for individual. You may contact AKPK at:

**Menara Bumiputra-commerce,**  
**Tingkat 5 dan 6, Jalan Raja Laut,**  
**50350 Kuala Lumpur**  
**Tel: 03-2616 7766**  
**Email: [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my)**

- If your query or complaint is not satisfactory resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:

**Block D, Bank Negara Malaysia**  
**Jalan Dato' Onn**  
**50480 Kuala Lumpur**  
**Tel: 1-300-88-5465**  
**Fax: +603-21741515**  
**Email: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)**

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

- If you have any enquiries or require further clarification, please contact our business relationship managers at the business banking centres.

#### 13. Other loan/financing packages available?

- Bankers Acceptance

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

**IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU 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.