

Shipping Guarantee-i Product Disclosure Sheet

<p>PRODUCT DISCLOSURE SHEET</p> <p>Please read this Product Disclosure Sheet (PDS) before you decide to apply for Shipping Guarantee-i. If your application has been approved, kindly ensure that you have read the terms in the letter of offer before accepting the Bank's offer for the facility. Please consult your relationship manager if you require clarification on the terms.</p>	<p>Alliance Islamic Bank Berhad ("Bank")</p> <p>Product name: Shipping Guarantee-i</p>											
<p>1. What is this product about?</p>												
<ul style="list-style-type: none"> Shipping Guarantee-i (SG-i) is an indemnity letter issued by the Bank addressed to the Shipping Company on the instruction of an importer/buyer (Customer) for the release of goods without the presentations of an original Bill of Lading (BL). SG-i is normally used when goods arrived earlier than the Bill of Lading when the importer would like to clear the goods at the earliest time. SG-i is issued by the Bank, by way of counter signing the indemnity, at the request of the importer/buyer, subject to the availability of trade finance facility granted by the Bank. 												
<p>2. What is the Shariah contract applicable?</p>												
<ul style="list-style-type: none"> SG-i is based on the Shariah contract of Kafalah. Kafalah refers to a contract in which the guarantor conjoins the guaranteed party in assuming the latter's specified liability. 												
<p>3. What do I get from this product?</p>												
<ul style="list-style-type: none"> Facilitates the clearance of goods at the port of discharge without the original bill of lading. Avoids demurrage charges due to delay in clearance of goods at the port. 												
<p>4. What are my obligations?</p>												
<ul style="list-style-type: none"> The customer has to undertake to the Bank issuing the SG-i that the documents shall be honoured or accepted when documents arrive with or without discrepancies. It is the responsibility of the customer to redeem the SG-i and return it to the Bank for cancellation upon receipt of the original bill of lading. The customer shall sign an indemnity letter whereby the customer undertakes to indemnify the Bank against all losses, damages and expenses in relation to the issuance of the SG-i and at the same time undertakes to deliver the bill of lading duly endorsed on receipt or obtain a discharge of the bank's liability under the indemnity. For every issuance of SG-i facility, you will have to pay commission up front. Please refer to the table below: <table border="1" data-bbox="237 1240 1495 1422"> <thead> <tr> <th>Type of commission</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Issuance of Shipping Guarantee-i (SG-i)</td> <td>0.1% flat on invoice value</td> </tr> <tr> <td>Minimum: RM100.00 (under LC-i)</td> </tr> <tr> <td>RM200.00 (under IC-i)</td> </tr> <tr> <td rowspan="2">SG-i not returned after 3 months from date of issuance</td> <td>0.05% per month on invoice value</td> </tr> <tr> <td>Minimum: RM50.00 per month, until SG-i is returned for cancellation</td> </tr> <tr> <td>Postage</td> <td>RM5</td> </tr> </tbody> </table> <ul style="list-style-type: none"> Adherence to the terms and conditions in the letter of offer and other documents in relation to the facility. 		Type of commission	Amount	Issuance of Shipping Guarantee-i (SG-i)	0.1% flat on invoice value	Minimum: RM100.00 (under LC-i)	RM200.00 (under IC-i)	SG-i not returned after 3 months from date of issuance	0.05% per month on invoice value	Minimum: RM50.00 per month, until SG-i is returned for cancellation	Postage	RM5
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<p>5. What are the fees and charges I have to pay?</p>												
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<p>Unless otherwise specified herein, the Bank's charges exclude any current taxes and future taxes (if any) that may be imposed under the relevant legislation. Should any of such taxes be implemented in the future and whenever applicable, the Bank will be entitled to recover such taxes from you.</p>												
<p>6. What if I fail to fulfil my obligations?</p>												
<ul style="list-style-type: none"> If the SG-i is not returned for cancellation after 3 months from date of issuance, the Bank shall continue charging commission at the rate of 0.05% per month (subject to a minimum of RM50.00) on the amount of the invoice until the date of return of the SG-i. The Bank has the right to set-off any credit balance in the account of the customer to regularise any amount that is overdue and unpaid in relation to the SG-i facility. 												

- The Bank has the right to commence legal action against the customer and guarantor (if any) and liquidate / foreclose the collateral provided (if any).

7. What if I cancel the SG-i?

The commission paid upfront prior to issuance of the SG-i will not be refunded to the customer.

8. Do I need any insurance/takaful coverage?

The following takaful coverage are recommended/required to be taken from the Bank's panel:

- Mortgage Reducing Term Takaful (MRTT) or any equivalent takaful coverage policies to cover the company in the event of death or permanent disability of the Customer or key men of the company (if applicable)
- Fire takaful if property is given as security for the financing (compulsory)

9. What are the major risks?

- The customer does not receive the original bill of lading and thus is unable to redeem the SG-i from the beneficiary for cancellation.

10. Do I need a collateral or guarantor?

The requirement for collateral is subject to credit evaluation by the Bank.

11. 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 correspondences reach you in a timely manner.

12. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact your relationship manager as soon as possible to discuss payment alternatives. You may contact us at:

Alliance Islamic Bank Berhad, Consumer Collections, 2nd Floor, 3 Alliance, 3 Jalan SS15/2A, 47500 Subang Jaya, Selangor.
Tel: 03-5516 9988 Fax: 03-5516 9399 Email: info@alliancefg.com

- 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 individuals. You may also join the "Program Pengurusan Wang Anda (POWER)" to help your credit management. The contact details and list of branches are on AKPK's website at <https://www.akpk.org.my/contact-us>

Level 8, Maju Junction Mall, 1001, Jalan Sultan Ismail, 50250 Kuala Lumpur.
Tel: 03-26167766 Email: enquiry@akpk.org.my

- If you wish to lodge a complaint on the products or services provided by the Bank, you may contact the Bank at:
Alliance Bank Malaysia Berhad, Group Complaints Unit, 4 Floor, Menara Multi-Purpose, Capital Square, 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur.
Tel: 03-2604 3300 Fax: 03-2691 8229 Email: info@alliancefg.com

- If your query or complaint is not satisfactorily resolved by the Bank, 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: 03-2174 1515 Email: bnmtelexlink@bnm.gov.my

- You may also contact Financial Ombudsman for Financial Services at:
Level 14, Main Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur.
Tel: 03-2272 2811 Fax: 03-2272 1577 Email: enquiry@ofs.org.my Website: www.fmos.org.my

13. Where can I get further information?

If you would like to have more information about SG-i and/or our other products and services, please visit our Bank's website at <https://www.alliancebank.com.my/Islamic> or contact your business relationship manager.

14. Other trade services / trade financing products available:

No.	Product/Service
1.	Islamic trade finance and services
2.	Cashline Facility-i
3.	Commodity Murabahah Revolving Credit-i
4.	Business Premise Financing-i
5.	Industrial Hire Purchase-i

15. Disclaimer

This Product Disclosure Sheet is for information purposes and shall not be construed as an obligation by the Bank to grant facilities to you. The terms herein are subject to the Bank's credit evaluation and approval.

The information provided in this product disclosure sheet is valid as at [to insert date].

IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT HONOUR YOUR PAYMENT OBLIGATIONS FOR THE FACILITY.

ACKNOWLEDGEMENT BY CUSTOMER:

I/We acknowledge that I/we have read and understood the features of the product, its salient terms and the obligations attached to it. I/we understand that this product disclosure sheet is only for information purposes and shall not be construed as an offer by the Bank or an obligation by the Bank to grant any facilities to us.

Name:

Date: