

**PRODUCT DISCLOSURE SHEET**

Please read this Product Disclosure Sheet before you decide to apply for Bankers Acceptance. Be sure to also read the specific terms and conditions set out in the relevant Letter of Offer. You may seek clarification from MUFG Bank (Malaysia) Berhad if you do not understand any part of this document or the general terms stated herein.

**BANKERS ACCEPTANCE**

**1. What is this product about?**

Bankers Acceptance (BA) is a short term working capital facility extended by MUFG Bank (Malaysia) Berhad (“the Bank”) to a Customer (Buyer or Seller) facilitating the financing of their purchase/ import or sale/ export of goods. BA is a Usance Bills of Exchange (BA Draft) drawn by the Customer on and accepted by the Bank to finance their purchase from resident, sale to resident, import from non-resident or export to non-resident supported by documentation evidencing the movement of goods between the two parties.

**2. What are the main features of this product?**

- The operations of BA is subject to Guidelines on Bankers Acceptances (2004), established by Bank Negara Malaysia.
- Financing is denominated in Ringgit Malaysia (RM), in multiples of RM1,000.00, with a minimum drawdown amount of RM50,000.00
- The Bank discounts the accepted Bills of Exchange at the prevailing BA Discount Rate and dispose the proceeds to the Supplier (in respect of purchase/ import) or to the Customer (in respect of sale/ export).
- Financing is restricted to trade involving goods only, other dealings such as services, inputs or intangibles are not allowed.
- Minimum financing tenor is 21 days and its maximum is capped at 365 days or as otherwise approved by the Bank.
- Financing is available in respect of documents drawn under Letters of Credit, Collections or Open Account trade.
- Bunching of invoices is allowed, provided each invoice is of minimum RM1,000.00 and are of the same class.

**3. How is the discounted proceeds derived?**

The proceeds from the discounting of a BA is determined as follows:

$$\text{Discounted Proceeds} = \text{BA Principal Amount} \times [ 1 - (\text{BA Discount Rate} \times \text{Tenor} / 36500) ]$$

**4. How do I apply for this product?**

- You will need to have an approved BA Facility with the Bank and application must be made in the Bank’s standard Application Form, along with Bills of Exchange (BA Draft), duly completed and signed by your authorised signatory/ies.
- Each application must be accompanied by the relevant supporting documentation e.g. Invoices and transport documents, evidencing the underlying trade transaction.

**5. What are my obligations?**

Make full repayment on the maturity date of the BA.

**6. What if I fail to fulfil my obligations?**

- The BA will be classified as past due if not fully repaid on its maturity date.
- Default interest will be imposed on the BA principal amount.
- Any past due BA will affect further drawdown of the BA Facility and any other facilities with the Bank.
- If the past due BA remains unpaid after 3 months, your facilities with the Bank will be classified as impaired loan.
- The Bank has the right to set-off any credit balances in your account(s) against the past due BA.
- The Bank may exercise its rights and start its recovery process/ legal action against you.
- Your BA Facility along with any other facilities granted by the Bank may be recalled.

**7. What are the major risks?**

You may be exposed to foreign exchange fluctuation risk when your receivables are in foreign currencies, in view that the BA financing is denominated in RM.

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

Interest	As mentioned above
Other Charges	Please refer to the relevant Letter of Offer and the Bank's Corporate website at <a href="https://www.bk.mufg.jp/malaysia/index.html">https://www.bk.mufg.jp/malaysia/index.html</a> for details

Note: The Bank may revise the commission, interest rate, fee and charges from time to time at its absolute discretion, subject to the Bank giving you advance notice of 21 days.

**9. 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. You may contact your Account Relationship Manager directly or the Bank:

Via phone to: 03-2034 8000 / 03-2034 8008  
Via email to: [customercare@my.mufg.jp](mailto:customercare@my.mufg.jp)

**10. Who should I contact for further information or to lodge a complaint?**

For internal dispute resolution, you may contact the Bank:

Via phone to: 03-2034 8000 / 03-2034 8008  
Via email to: [customercomplaint@my.mufg.jp](mailto:customercomplaint@my.mufg.jp)

If you are dissatisfied with the outcome of the internal dispute resolution process, you may contact Bank Negara Malaysia LINK or TELELINK:

Via phone to: 1-300-88-5465  
Via fax to: 03-2174 1515  
Via email to: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)  
Via letter to: Laman Informasi Nasihat and Khidmat  
(LINK) Bank Negara Malaysia  
P.O. Box 10922  
50929 Kuala Lumpur, Malaysia

The information provided in this disclosure sheet is valid as at December 2021 and is subject to change at the Bank's discretion from time to time.