

<p><b>PRODUCT DISCLOSURE SHEET</b></p> <p>Please read this Product Disclosure Sheet before you decide to apply for Letter of Credit. Be sure to also read the terms and conditions set out in the relevant Letter of Offer. Seek clarification from MUFG Bank (Malaysia) Berhad if you do not understand any part of this document or the general terms stated herein.</p>	<p><b>LETTER OF CREDIT</b></p>
<p><b>1. What is this product about?</b></p> <p>A Letter of Credit (LC) is an irrevocable written conditional undertaking given by MUFG Bank (Malaysia) Berhad (“the Bank” or “Issuing Bank”) to the Seller (Beneficiary) for account of the Buyer (Customer) to pay the Seller a certain sum of money as stipulated in the LC upon compliance with the terms and conditions of the said LC.</p>	
<p><b>2. What are the main features of this product?</b></p> <ul style="list-style-type: none"> <li>• LCs are issued subject to the Uniform Customs and Practice for Documentary Credits, Publication 600 (UCP 600), Uniform Rules for Bank-to-Bank Reimbursement, Publication 725 (URR 725) and is further guided by International Standard Banking Practice, Publication 745 (ISBP 745).’</li> <li>• LCs may be issued to be payable at Sight (immediate payment) or Usance (payable on a future date), provided always that the terms and conditions of the said LC are met.</li> <li>• LCs are issued to secure the purchase/ import of goods or services, in RM or foreign currency denomination.</li> <li>• The LC instrument is independent of its underlying commercial contract between the Seller and the Buyer.</li> <li>• Payments under LC may be further financed, provided you have prior approved Trade Financing Facilities with the Bank.</li> </ul>	
<p><b>3. How do I apply for this product?</b></p> <ul style="list-style-type: none"> <li>• You will need to have an approved LC Facility with the Bank and application must be made in the Bank’s standard Application Form, duly completed and signed by your authorised signatory/ies.</li> </ul>	
<p><b>4. What are my obligations?</b></p> <ul style="list-style-type: none"> <li>• You are required to pay immediately (Sight LC) or accept and pay on the maturity date (Usance LC) upon notification by the Bank, following the receipt of shipping documents that complied with the terms and conditions of the underlying LC. Thus, you have to ensure sufficient funds are available on the date of settlement.</li> <li>• If the shipping documents are discrepant i.e. did not comply with the LC terms and conditions, you must decide promptly, whether to take-up or reject the shipping documents, upon notification by the Bank on the discrepancies noted.</li> </ul>	
<p><b>5. What if I fail to fulfil my obligations?</b></p> <ul style="list-style-type: none"> <li>• Default interest (calculated from the date of payment made by the Bank till the date of actual payment from you) will be imposed on such sum paid by the Bank pursuant to the LC issued by the Bank.</li> <li>• Default in LC payment will affect further drawdown of the LC Facility and any other facilities with the Bank.</li> <li>• The Bank has the right to set-off any credit balances in your account(s) against any outstanding balances.</li> <li>• The Bank may exercise its rights and start its recovery process/ legal action against you.</li> <li>• Your LC Facility along with any other facilities granted by the Bank may be recalled.</li> </ul>	
<p><b>6. What are the major risks?</b></p> <ul style="list-style-type: none"> <li>• Goods purchased or imported may be of inferior quality and the Bank has no obligations to verify and or validate such event as Banks deals with documents only.</li> <li>• Perishable goods may become worthless due to delayed clearance.</li> <li>• Delayed and/or non-take up of shipping documents may result in demurrage charges being imposed on you during clearance of goods at a later stage.</li> </ul>	

<b>7. Do I need marine insurance coverage?</b>	
The responsibility to insure the goods will depend on the payment terms of the commercial contract between the Buyer and Seller. For example, if the commercial contract payment terms is Cost Insurance, and Freight (CIF), marine insurance will be the responsibility of the Seller.	
<b>8. What are the fees and charges I have to pay?</b>	
Issuance Fee	0.1% per month (min MYR100.00) plus cable charges MYR100.00
Amendment Fee involving increased amount and/or extended validity	0.1% per month, on the extended validity and/or increased amount,(min MYR100.00) plus cable charges MYR50.00
Other Amendment Fee	MYR50.00
Acceptance Fee	0.1% per month (min MYR100.00, no maximum)
Discrepancies Fee	MYR100.00 per presentation, for RM denominated LC USD100.00 or equivalent per presentation, for foreign currency denominated LC.
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.	
<b>9. What do I need to do if there are changes to my contact details?</b>	
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 your Account Relationship Manager directly or contact the Bank:	
Via phone to: 03-2034 8000 / 03-2034 8008 Via email to: <a href="mailto:customercare@my.mufg.jp">customercare@my.mufg.jp</a>	
<b>10. Who should I contact for further information or to lodge a complaint?</b>	
For internal dispute resolution, you may contact the Bank:	
Via phone to: 03-2034 8000 / 03-2034 8008 Via email to: <a href="mailto:customercomplaint@my.mufg.jp">customercomplaint@my.mufg.jp</a>	
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: <a href="mailto:bnmtelelink@bnm.gov.my">bnmtelelink@bnm.gov.my</a> 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.