

PRODUCT DISCLOSURE SHEET

Please read this Product Disclosure Sheet before you decide to take up the Bills for Collection. 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 Product Disclosure Sheet or the general terms stated herein.

BILLS FOR COLLECTION (BC)

1. What is this product about?

Bills for Collection (BC) is a collection service offered to a Seller (Customer) facilitating their collection of sales or export proceeds from their Buyer, through the Buyer's Banker (Letter of Credit of Issuing Bank/Collecting Bank) in the Buyer's country. The Bank in this instance assumed the role as a Collection Agent for the Customer, acting on their instructions in relation to the terms and conditions in which the shipping documents are to be released to the Buyer.

2. What are the main features of this product?

- BC is subject to the Uniform Rules for Collection, Publication 522 (URC 522) or Uniform Customs and Practice for Documentary Credits, Publication 600 (UCP 600).
- The Bank merely acts as a Collection Agent for the Customer, with no financial obligation.
- The related shipping documents are released to the Buyer in exchange for immediate payment (Sight/ DP) or acceptance of Bills of Exchange (Usance/ DA).

Note: DP – Documents Against Payment; DA – Documents Against Acceptance

3. How do I apply for this product?

- You do not need to have any prior approved facility with the Bank to apply for this service.
- Application for Outward Bills for Collection must be made in the Bank's standard Application Form, duly completed, and signed by your authorised signatory/ies.
- Each application must be duly accompanied by shipping documents as stipulated in the Application Form.

4. What are my obligations?

Furnish accurate and complete collection instructions to the Bank.

5. What if I fail to fulfil my obligations?

Incomplete collection instructions may result in delayed and/or non-payment and/or non-acceptance by the Buyer. Additional cost may be incurred due to unnecessary communication between the Bank and the collecting Bank.

6. What are the major risks?

- Although a Letter of Credit entails the payment undertaking of the Issuing Bank, such Bank may not be known to you and the country in which the bank resides may also be a concern e.g., political, or foreign exchange risks.
- Letter of Credit is a conditional payment undertaking, you need to ensure all its terms and conditions are duly complied with when you draw against the instrument.

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

	Ringgit	Foreign Currency
Handling Commission	0.1% of the bill amount, min MYR100.00 and max MYR500.00 plus courier and cable charges	0.1% of the bill amount, min MYR100.00 and max MYR200.00 plus courier and cable charges
Commission In-Lieu of Exchange	0.1% of the bill amount (min MYR50.00, no max)	
Other Charges	Please refer to the Bank's Corporate website at https://www.bk.mufg.jp/malaysia/index.html for details	

Note: The Bank may revise the commission, interest rate, fee, and charges from time to time at its absolute discretion. The opening commission and relevant commission on Usance LC are a form of product pricing with components of credit risk, cost of funds and operating expenses included in its computation. As such, the rate indicated act as a general guidance but can be charged at the discretion of the bank as deemed appropriate.

For more details and full list of bank charges, you may refer to the tariffs and charges in the MUFG Corporate website at https://www.bk.mufg.jp/malaysia/pdf/Tariff_and_Charges_Conventional_Banking_Business_June_2022.pdf

The fees and charges above may be updated from time to time and in case of inconsistency, the fees and charges stated in the standard tariff and charges shall prevail over fees and charges stated in this Product Disclosure Sheet.

8. 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

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

For internal dispute resolution, you may contact the Bank:

MUFG Bank (Malaysia) Berhad
Menara IMC, 8 Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia

Via phone to: 03-2034 8000 / 03-2034 8008

Via email to: 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: bnmteleshink@bnm.gov.my

Via letter to: Bank Negara Malaysia
Jalan Dato' Onn,
P.O. Box 10922
50929 Kuala Lumpur, Malaysia

The information provided in this Product Disclosure Sheet is valid as of August 2023 and is subject to change at the Bank's discretion from time to time.