

<p>PRODUCT DISCLOSURE SHEET</p> <p>Please read this Product Disclosure Sheet before you decide to apply for Standby Letter of Credit. Be sure to also read the 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.</p>	<p>STANDBY LETTER OF CREDIT (SBLC)</p>
<p>1. What is this product about?</p> <p>Standby Letter of Credit (SBLC) is a written undertaking by the Bank, issued at the request and for the account of the Applicant (Customer) whereby the Bank undertakes to make payment to a named Beneficiary up to the stated sum as stipulated in the SBLC in the event a valid written demand is received by the Bank.</p>	
<p>2. What are the different types of SBLC commonly issued by the Bank?</p> <p>The Bank offers 2 types of SBLC, briefly summarized below:</p> <p>(a) <u>Non-Financial SBLC</u></p> <ul style="list-style-type: none"> • Non-Financial SBLC are performance related • Issued in support of the Customer's fulfilment of a contractual obligation in accordance with the terms and conditions of an underlying contract or agreement • It provides an assurance of compensation in the event of inadequate or delayed performance on a contract. • Performance related contingencies typically involve a counterparty's failure to fulfil or perform contractual obligations such as delivery of goods and/or services or payment of the same by a specified date. <p>(b) <u>Financial SBLC</u></p> <ul style="list-style-type: none"> • Issued in support of the Customer's undertaking to secure the repayment of a debt or liability. • Is a SBLC of indebtedness (loans, securities and any other financial liabilities and obligations) • Has a flavour of direct extension of credit such as an undertaking to make payment to a third party in the event that a counterparty fails to meet a financial obligation • Financial SBLC can also take the form of credit substitution SBLC. 	
<p>3. What are the main features of this product?</p> <ul style="list-style-type: none"> • The Bank acts as a Guarantor for the Customer. Standby Letter of Credit (SBLC) are generally issued in the Bank's standard format, in favour of a named Beneficiary, for a specific duration and amount and stipulating its undertaking to honour upon receipt of a valid written demand, without requiring or imposing any prior conditions or terms to be met. • SBLC are generally issued subject to Malaysian Law or if requested upon, the Uniform Rules for Demand Guarantees, Publication 758 (URDG 758) 	
<p>4. How do I apply for this product?</p> <ul style="list-style-type: none"> • You will need to have an approved SBLC facility with the Bank and application must be made in the Bank's standard Application Form and Letter of Indemnity, duly completed, and signed by your authorised signatory/ies. • Each application must be accompanied by a copy of the SBLC format and/or the relevant contract/ agreement, if any. 	
<p>5. What are my obligations?</p> <p>You are required to pay the outstanding amount immediately upon notification by the Bank, following the payment made by the Bank against presentation of a valid written demand under the said SBLC by the named Beneficiary.</p>	
<p>6. What if I fail to fulfil my obligations?</p> <ul style="list-style-type: none"> • 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 SBLC issued by the Bank. • The Bank has the right to set-off any credit balances in your account(s) against any outstanding balances. • The Bank may exercise its rights and start its recovery process/ legal action against you. • Your Facility along with any other facilities granted by the Bank may be recalled. 	
<p>7. What are the major risks?</p> <ul style="list-style-type: none"> • In general, a written discharge letter from the Beneficiary together with the return of the original SBLC is required for cancellation of SBLC prior to its expiry date. 	

- SBLC issued with no specific expiry date and/or determinable amount will require a written discharge letter from the Beneficiary as well as the return of the original SBLC prior to its cancellation.
- Payment to the Beneficiary is upon presentation of a valid written demand against the said SBLC. The Bank has no obligation to verify and/or validate whether an event of default has occurred on the underlying purpose of the said SBLC.

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

Issuance Commission	1.2% per annum (min MYR100.00)
Amendment Fee involving increased amount and/or extended validity	1.2% per annum (min MYR100.00)
Other Amendment Fee	MYR100.00
Cancellation with Uncollected SBLC	MYR50.00
Stamp Duty	As per Stamp Act 1949 (Act 378)
Other Charges	Please refer to the relevant Letter of Offer and 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.

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

10. 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: bnmteleshop@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.