

<p>PRODUCT DISCLOSURE SHEET</p> <p>Please read this Product Disclosure Sheet before you decide to apply for Accounts Receivable Purchase Scheme. 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.</p>	<p>ACCOUNTS RECEIVABLE PURCHASE SCHEME (ARPS)</p>
<p>1. What is this product about?</p> <p>Accounts Receivable Purchase Scheme (ARPS) is a form of post shipment financing for open account trade. It is a form of financing in which suppliers (sellers) sell all or a part of their receivables (invoices) to the Bank (Purchaser). Sellers shall assign their receivables to the Bank in which the Bank shall pay in advance the number of invoices assigned.</p> <p>ARPS may be offered in either of two types, namely:</p> <ol style="list-style-type: none"> 1. Non-Recourse - The Bank will be unable to claim any unpaid invoice amount from the Seller if the Obligor fails to make payment due to its insolvency and not arising from Seller's breach of specified representations and undertakings, including commercial disputes with the Obligor (Seller's Customer, i.e. the Buyer). 2. With Recourse - In event of any Obligor payment default, the Bank is able to claim against the Seller's payment guarantee, issued in favour of the Bank. 	
<p>2. What are the main features of this product?</p> <ul style="list-style-type: none"> • ARPS is available to finance the Seller's local sales and/or export. The underlying trade may involve goods or services. • ARPS is denominated in the currency of the invoices purchased in MYR or in any approved Foreign Currency. • For foreign currency denominated ARPS, the financing rate is pegged to the Bank's prevailing Foreign Currency Effective Cost of Fund (FC ECOF) plus a Margin, determined at facility structuring stage. • For RM denominated ARPS, the financing rate is pegged to the Bank's prevailing Ringgit Effective Cost of Fund (COF)/Base Rate (BR) plus a Margin, determined at facility structuring stage. 	
<p>3. How are the discounting interest and purchase price being calculated?</p> <p>Discount Interest: $\frac{[\text{Financing Value} \times \text{Discounting Rate (FC ECOF or COF/BR + Margin)} \times \text{Discounting Period}]}{(360 \text{ or } 365) \times 100}$</p> <p>Purchase Price: Financing Value – Discount Interest</p>	
<p>4. How do I apply for this product?</p> <ul style="list-style-type: none"> • You will need to have an approved ARPS Facility with the Bank and application must be made in the Application of Assignment Form, duly completed and signed by your authorised signatory/ies. • Each application must be accompanied by the supporting documents as prescribed in the Application of Assignment Form or Accounts Receivable Purchase Agreement. 	
<p>5. What are my obligations?</p> <p>For ARPS with recourse structure, to repay the Bank in the event of non-payment from the Buyer. For ARPS with non-recourse structure, to repay the Bank if you (the Seller) are appointed as the collection agent as stipulated in the Accounts Receivable Purchase Agreement. In the event of non-payment from the Buyer, the Bank will pursue payment from the Buyer unless there is any breach of terms and conditions by you under Accounts Receivable Purchase Agreement.</p>	
<p>6. What if I fail to fulfil my obligations?</p> <ul style="list-style-type: none"> • The ARPS will be classified as past due in the event of non-received proceeds from Obligor on the maturity date. • The payment default fee will be computed based on the ARPS principal amount from the day the bill turns overdue until the settlement date • Any past due ARPS may hinder further drawdown on your ARPS facility and other trade facilities with the Bank will be frozen on case-to-case basis (for with recourse structure). • If the past due ARPS remains unpaid after 3 months due to the failure or refusal of Obligor to pay, your facilities with the Bank will be classified as impairment loans (for with recourse structure). • The Bank has the right to set-off any credit balances in your account(s) against any outstanding amounts due under the ARPS (for with recourse structure). 	

- The Bank may exercise its rights and start its recovery process/legal action.

7. What are the major risks?

Under the ARPS with recourse structure, you will still bear the Buyer's non-payment risk in case of non-payment on maturity date.

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

Interest	As mentioned in item 3 above
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. 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: 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.