

## PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take the **Bills Negotiation** with Affin Bank Berhad ("the Bank"). Be sure to also read the terms and conditions in the Letter of Offer. Seek clarification from the Bank if you do not understand any part of this document or the general terms in particular the terms affecting your obligations.



### Bill Negotiation (BN)

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

Bills Negotiation is an immediate advance provided by the Bank to an exporter / seller against the strength of Letter of Credit (LC) Issuing Bank without the requirement to have any pre-approved trade facility.

The Bank can fund you upfront at a competitive pricing for compliant documents drawn under sight / usance LC issued by other banks acceptable to the Bank under the followings:

- a) Foreign Bills Negotiation (FBN)
- b) Domestic Bills Negotiation (DBN)

Bills Negotiation is governed under the current Uniform Custom & Practice (UCP 600) published by International Chamber of Commerce (ICC).

#### 2. What do I get from this product?

- Ready access to credit facility without additional securities required.
- Immediate advance by the Bank at a competitive pricing and ease working capital needs.
- Flexibility where advances is available in Ringgit or major foreign currencies.
- Free up existing credit lines.

#### 3. What are my obligations?

- Provide the Bank with documentary evidence supporting the trade transaction (e.g. the original invoice, transport documents etc.) as may be required by the Bank.
- You shall declare that you have not obtained and will not obtain any other source of financing for the same trade transaction.
- Authorize the Bank to debit your account maintained with the Bank for the payment of any charges, interests, costs or expenses in respect of disbursement and repayment of the Bills Negotiation.
- Export / sales proceeds are used to settle the outstanding Bills Negotiation within the stipulated time.

#### 4. What is the fees and charges I have to pay?

Fees and charges	Amount (RM)
<b>Interest</b> Interest computed from the financing date until export / sales proceeds is received.	$\text{Interest} = \frac{\text{FV} (r \times t)}{360^* / 365}$ <p>FV = Face value (bill amount). r = COF / BLR or other rate as stated in CAM (in percentage per annum) t = usance period *Number of days applicable for financing in foreign currency</p>
<b>Commission</b> <ul style="list-style-type: none"><li>• FBN</li><li>• DBN</li></ul>	0.1% flat – Minimum RM10.00; Maximum RM100.00 0.1% flat – Minimum RM10.00; Maximum RM500.00
<b>Document Checking</b> <ul style="list-style-type: none"><li>• FBN</li><li>• DBN</li></ul>	RM100.00 RM50.00
<b>Courier Service</b> <ul style="list-style-type: none"><li>• Local</li><li>• Foreign</li></ul>	Minimum RM15.00; Maximum RM25.00 Minimum RM60.00; Maximum as per Courier published rate

Note: Base Lending Rate (BLR) is subject to change from time to time as published on

<https://www.affinways.com/en/rates-and-pricing>

<b>5. What if I fail to fulfill my obligations?</b>
<ul style="list-style-type: none"> <li>• Default / Penalty interest at 3.5% p.a. above the Bank's Base Lending Rate or rate as stated in the Letter of Offer will be imposed by the Bank on the FBN / DBN overdue amount and shall be computed from the day the bill turns overdue until full and final settlement of the overdue amount.</li> <li>• The Bank may suspend your other facility(ies) when FBN / DBN default.</li> <li>• The Bank may exercise its rights and start its recovery process and / or legal action if you fail to respond to reminder notices. You will have to bear all legal costs.</li> <li>• For other obligations, please refer to the Bank's Letter of Offer.</li> </ul>
<b>6. What are the major risks?</b>
The Bank will recourse against you should the export / sales proceeds are not received from the issuing bank within the stipulated time.
<b>7. Where can I get assistance and redress?</b>
<ul style="list-style-type: none"> <li>• If you have difficulties in making payments, please contact us at your earliest convenience to discuss on the payment alternatives.</li> <li>• If you wish to make a complaint on the products or services provided by us, you may contact us at:  <b>Customer Feedback &amp; Resolution Management</b>  <b>Level 9, Menara Affin,</b>  <b>Lingkaran TRX, Tun Razak Exchange,</b>  <b>55188 Kuala Lumpur</b>  <b>Contact Centre : 03-8230 2222</b>  <b>E-mail : <a href="mailto:yourvoice@affingroup.com">yourvoice@affingroup.com</a></b>  <b>Website : <a href="https://www.affinalways.com">https://www.affinalways.com</a></b> </li> <li>• Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK), an agency established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individuals. You can contact AKPK at:  <b>Agensi Kaunseling dan Pengurusan Kredit (AKPK)</b>  <b>Level 5 and 6,</b>  <b>Menara Aras Raya (Formerly known as Menara Bumiputra-Commerce),</b>  <b>Jalan Raja Laut, 50350 Kuala Lumpur</b>  <b>Hotline : 03-2616 7766</b>  <b>E-mail : <a href="mailto:enquiry@akpk.org.my">enquiry@akpk.org.my</a></b>  <b>Website : <a href="http://www.akpk.org.my">www.akpk.org.my</a></b>  <b>Operation Hours : 9.00 am – 5.00 pm (Monday – Friday)</b> </li> <li>• If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia (BNM) LINK or TELELINK at:  <b>BNMLINK</b>  <b>Bank Negara Malaysia</b>  <b>P.O. Box 10922</b>  <b>50929 Kuala Lumpur</b>  <b>Telephone : 1-300-88-5465</b>  <b>eLINK : <a href="https://bnmlink.bnm.gov.my/">https://bnmlink.bnm.gov.my/</a></b> </li> </ul>
<b>8. What do I need to do if there are changes to my contact details?</b>
It is important that you inform us (via a written notice sent to the account holding branch) of any changes in your contact information to ensure that all correspondences reach you in a timely manner.

<b>9. Where can I get further information?</b>
Should you require additional information, please contact us at the nearest branch to you or call our Contact Centre at 03-8230 2222 or visit our web site <a href="http://www.affinalways.com">www.affinalways.com</a>
<b>10. Other facilities available.</b>
The Bank offers other trade bills facilities such as Bank Guarantee (BG), Bankers Acceptance (BA), Bills Purchased (BEP), Letter of Credit (LC), Shipping Guarantee (SG), Flexi Trade Loan (FTL) and Trust Receipt (TR).
<b>Disclaimer:</b> This Product Disclosure Sheet is for information purposes only and does not constitute any advice on any matter discussed. All information and materials including those on services, products, financial information, data, text or other items are provided strictly 'as is', and 'as available' and is so provided for your information and reference only. Affin Bank Berhad does not guarantee the usefulness or adequacy of the information provided and shall not be liable for any errors and will not be responsible for the consequences of reliance upon any opinion or statement contained herein or for any omission. This Product Disclosure Sheet is confidential and may not be reproduced (in whole or in part) to any other person without the prior written permission of Affin Bank Berhad.  <b>Product Transparency and Disclosure:</b> Affin Bank Berhad is committed in ensuring customer is being treated and guided under the prevailing BNM's <b>Fair Treatment of Financial Consumers</b> and <b>Prohibited Business Conduct</b> .  <b>IMPORTANT NOTE: LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR FACILITIES.</b>

*The information provided in this disclosure sheet is valid as at 30 September 2023.*

I / We hereby acknowledge that the key terms of this product disclosure sheet, in particular, the terms affecting my / our obligations, have been adequately explained to me / us by the Bank's staff, representative or agent.

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

NRIC No : \_\_\_\_\_

Date : \_\_\_\_\_