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| PRODUCT DISCLOSURE SHEET (REMINDER: You are reminded to read and understand the terms and conditions of this Product Disclosure Sheet before signing below. In the event there are any terms and conditions in this Product Disclosure Sheet that you do not understand, please seek independent advice and/or discuss with the Bank's representative before signing below.) | ENGLISH VERSION Bank : Affin Islamic Bank Berhad Product : Export Credit Refinancing-i (ECR-i) Date of Issuance to Customer : _____ (to be filled out upon application) |
| 1. What is this product about? | |
| Under Export Credit Refinancing-i (ECR-i), there are 2 types of facilities available to exporters as follows: a. Pre-shipment ECR-i – refers to the financing of purchase of domestic inputs to facilitate the production of eligible goods by manufacturer/agricultural products producer or financing of purchase of domestic intermediate/final products by trading company for export prior to shipment. b. Post-shipment ECR-i – refers to financing for a period after shipment to finance the export of eligible goods on sight/ usance term. Under post-shipment ECR-i facility, exporter can obtain immediate funds upon presentation of export documents after shipment of goods. | |
| 2. What is the Shariah concept applicable? | |
| The Shariah concept applicable for both types of facilities as below: a. Pre-shipment ECR-i – Murabahah & Bai al-Dayn b. Post-shipment ECR-i – Bai al-Dayn • Murabahah – refer to the selling of goods/assets at a price whereby the costs and profit margin (mark-up) are made known and agreed to by both parties. The basic feature of Murabahah is that the seller discloses the actual cost he has incurred in acquiring the goods/assets, and how much profit he is going to charge in addition to the cost. • Bai al-Dayn – refers to the sale of a debt arising from a deferred-payment trade transaction. It is a financing facility whereby the Bank purchases the Customer's right to the debt, which is normally securitized in the form of bill of exchange. | |
| 3. What do I get from this product? | |
| a. <u>Pre-shipment ECR-i</u> Amount of Financing : RM _____ Profit Rate : ECR Exim Bank Financing Rate + _____ % <i>Profit charge shall be fixed throughout the financing tenure.</i> Period of financing : _____ days / months • The Bank appoints the exporter as its purchasing agent, to buy the raw materials required for the production. • Upon delivery of goods, the bank pays the supplier based on the invoice value. • Bank as owner of the goods, sells the good to the exporter on credit term at an agreed price. • The Banks draws 2 pre-shipment bills of different face values. 1. Value of first bill = invoice of value of goods + profit to Exim 2. Value of second bill = ECR-i bank's profit • Upon maturity, the Bank presents first and second bill, equivalent to its profit margin for payment to exporter. | |
| b. <u>Post shipment ECR-i</u> Amount of Financing : RM _____ Profit Rate : ECR Exim Bank Financing Rate + _____ % <i>Profit charge shall be fixed throughout the financing tenure.</i> Period of financing : _____ days / months • The exporter (as owner of the export bill), appoints the Bank as collecting agent to collect payment from the importer's bank. | |

- The post shipment bill requires the Bank to pay the exporter on a specific future date, a certain sum of money stated on the bill, as payment for his exports.
- On maturity, the exporter will discharge the bill with the bank by paying the full value of the bill using the export proceeds received.

4. What are my obligations?

- Export Credit Refinancing-i is payable on demand.

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

| Fees & charges | Amount (RM) |
|---------------------------------------|---|
| Stamp Duty | |
| Contract Note for Bay al-Dayn | RM10.00 |
| Contract Note for Murabahah Financing | RM10.00 |
| ECR Transactions | |
| <u>Pre-shipment</u> | |
| 1. Lodgment | RM2.00 |
| 2. Drawdown | RM2.00 |
| 3. Partial Liquidation | RM2.00 |
| 4. Early discharge | RM2.00 |
| 5. Redemption | RM2.00 |
| <u>Post-shipment</u> | |
| 1. Refinancing | RM2.00 |
| 2. Early discharge | RM2.00 |
| 3. Redemption | RM2.00 |
| Other charges | All other charges shall follow the Bank's Standard Tariff of Charges |

6. What if I fail to fulfill my obligations?

- Upon maturity of the Facility
A sum equivalent to the prevailing daily overnight Islamic Interbank Money Market Rate (IIMM) on outstanding balance i.e. outstanding Selling Price/Rental less *ibra'* (if any);

$$= \text{Outstanding balance} \times \text{prevailing IIMM} \times \frac{\text{no. of days overdue}}{365/366}$$

Please refer to other obligations stated in Bank's Letter of Offer.

7. What are the major risks?

All amounts outstanding of expired facility shall be levied with compensation rate or any other rate determined by Bank Negara Malaysia (BNM) from time to time.

8. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact your respective Relationship Manager earliest possible to discuss payment alternatives.
- If you wish to complain on the product or services provided by us, you may fill-in an "Online Feedback Form" which is available at Bank's website: www.affinalways.com. that will be escalated to Customer Feedback & Resolution Management. You may also contact us at:
Customer Feedback & Resolution Management
Level 9, Menara Affin,
Lingkaran TRX,
Tun Razak Exchange,
55188 Kuala Lumpur.
Telephone : 03 – 8230 2222
E-mail : yourvoice@affingroup.com
Website : www.AffinAlways.com
<https://www.affingroup.com>

- 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 both individuals and SMEs. You can contact AKPK at:
Agensi Kaunseling dan Pengurusan Kredit (AKPK)
Level 5 and 6,
Menara Aras Raya (Formerly known as Menara Bumiputra-Commerce),
Jalan Raja Laut,
50350 Kuala Lumpur.
Telephone : 03-2616 7766
Fax : 03-2616 7601
E-mail : enquiry@akpk.org.my
Operating Hours : 9:00 a.m. – 5:00 p.m.
(Monday – Friday)
- You may re-address the issue with the Ombudsman for Financial Services (OFS) when steps taken by the Bank is still unsatisfactory. You may contact OFS at:
Ombudsman for Financial Services (OFS) (664393P)
(Formerly known as Financial Mediation Bureau)
Level 14, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Telephone : 603 – 2272 2811
Fax : 603 – 2272 1577
E-mail : enquiry@ofs.org.my
Website : www.ofs.org.my
- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:
BNMLINK
Bank Negara Malaysia
P.O. Box 10922 (Peti Surat 10922)
50929 Kuala Lumpur
Telephone : 1-300-88-5465
Fax : 03-21741515
E-LINK : <https://bnmlink.bnm.gov.my/>

9. What do I need to do if there are changes to my contact details?

It is important that you inform us (written notice to be sent to the account holding branch) of any changes in your contact information to ensure that all correspondences reach you in a timely manner.

10. Where can I get further information?

Should you require additional information on financing, please contact us at our nearest branch to you or call our Contact Centre at 03-8230 2222 or visit our web site www.affinalways.com for further details.

11. Other facilities available.

The Bank offers other trade bills facilities such as Letter of Credit-i, Trust Receipt-i, Shipping Guarantee-i, Bank Guarantee-i, Accepted Bills-i, Working Capital Financing-i, Bills Purchased-i and Bills Negotiation-i

IMPORTANT NOTE:

LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DO NOT KEEP UP PAYMENTS ON YOUR FACILITY.

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 : _____