

PRODUCT DISCLOSURE SHEET (PDS)

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on **AFFIN Express Letter of Credit-i (Express LC-i)**. Other customers have read this PDS and found it helpful; you should read it too.



AFFIN ISLAMIC BANK BERHAD ("Bank")

Date: 30/12/2025

1. WHAT IS AFFIN EXPRESS LETTER OF CREDIT-I?

Express Letter of Credit-i (Express LC-i)

- Express Letter of Credit-i (Express LC-i) is a product offered by the Bank to the customer, secured against 100% cash payment or Term Deposit (TD-i)/Fixed Deposit (FD) plus variance/tolerance (if any). It is offered to existing financing customer or non-financing who maintain Current Account-i (CA-i) or Foreign Current Account-i (FCA-i) with the Bank.
- Express LC-i is based on Wakalah concept and will be issued from time to time based on application received from Customer. No upfront facility limit shall be allocated for the customer as this is merely a service.
- Express LC-i is a written undertaking by the Bank, given to a seller (the Beneficiary) at the request and on the instruction of the buyer (the Applicant), to pay at sight or at the determinable future date up to a stated sum of money within a prescribed time limit and against the stipulated documents which are in accordance with terms and conditions of the LC-i.
- Express LC-i issued is subject to Uniform Customs and Practice for Documentary Credits (UCP) and Uniform Rules for Bank-to-Bank Reimbursements under Documentary Credit (URR), International Chamber of Commerce Publication currently in force and guided by International Standard Banking Practice (ISBP).
- Collateral/Security taken will be treated as follows:**
 - Cash payment will be debited from Applicant's account maintained with the Bank, or
 - TD-i/FD will be tagged on lien to the Bank.

Shariah Concept

- This product is under the concept of **Wakalah** and **Murabahah**.

Wakalah	Murabahah
<ul style="list-style-type: none"> Wakalah refers to agency arrangement, where at the Bank will act as an agent on behalf of the company/individual. 	<ul style="list-style-type: none"> Murabahah refer to the selling of goods/assets at a price where 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.

2. KNOW YOUR OBLIGATIONS

<p>For this Express LC-i, as an illustration: <u>Issuance of Express LC-i</u></p> <table> <tr> <td>Express LC-i Amount</td> <td>:</td> <td>RM</td> <td>500,000.00</td> </tr> <tr> <td>Commission Rate (per month)</td> <td>:</td> <td></td> <td>0.100%</td> </tr> <tr> <td>Express BG Validity Period (month)</td> <td>:</td> <td></td> <td>3</td> </tr> <tr> <td>Commission Charge</td> <td>:</td> <td>RM</td> <td>1,500.00</td> </tr> </table> <p>NOTES:</p> <ul style="list-style-type: none"> All calculations and information above are for illustration purposes 	Express LC-i Amount	:	RM	500,000.00	Commission Rate (per month)	:		0.100%	Express BG Validity Period (month)	:		3	Commission Charge	:	RM	1,500.00	<p>It is your responsibility to:</p> <ul style="list-style-type: none"> Read and understand the key terms in the contract before you sign it. Pay your settlement amount timely and in full. Speak to us if you wish to settle your financing earlier. Contact us immediately, if you are unable to pay the settlement amount.
Express LC-i Amount	:	RM	500,000.00														
Commission Rate (per month)	:		0.100%														
Express BG Validity Period (month)	:		3														
Commission Charge	:	RM	1,500.00														

You also have to pay the following fees and charges:

Type of Fee/Charge	Details of Fee/Charge
Issuance Commission for LC-i	0.1% per month from the facility amount or part of that month; Minimum RM100.00 or as per Letter of Offer.
Commission on Amendment LC-i (extend validity / increase of amount)	0.1% per month from the facility amount or part of that month; Minimum RM50.00 or as per Letter of Offer.
Other Amendment	RM 50.00
Stamp Duty (Express LC-i Application Form)	As per Stamp Act 1949 (Revised 1989).
Stamp Duty (Express LC-i Application Form for amendment)	As per Stamp Act 1949 (Revised 1989).
Compensation Charges (Ta'widh) <ul style="list-style-type: none"> After the maturity of the Facility/Judgment 	Prevailing daily overnight Islamic Interbank Money Market rate on such outstanding balance.
Others Charges	All other charges shall be in accordance with the Standard Tariff of Charges.

Note: The above Fees and Charges are subject to Sales and Service Tax (where relevant).

3. KNOW YOUR RISK

What happens if you fail to pay your settlement amount?

- You pay more in total due to Compensation Charges ("Ta'widh").
- The Bank may deduct money from a current/savings account you have with us to set-off your financing balance.
- The Bank may take legal action against you.
- Your credit score may be affected, leading to credit being more difficult or expensive for you.

IMPORTANT:

- Goods purchased or imported may not be in accordance to your sales contract and the Bank has no obligations to verify and/or validate such event as the Bank only deals with the documentation.
- Delayed and/or non-take up of shipping documents may result in demurrage charges being imposed on you during clearance of goods at a later stage.
- The Bank however has the sole right to accept/reject any discrepant documents.
- All calculations and information above are for illustration purposes only.

4. OTHER KEY TERMS

Eligibility

- Sole Proprietors
- Partnerships
- Small Medium Enterprise (SMEs)
- Private & Public Limited Companies/Institutions
- Government/Statutory Bodies

Financing Tenure

- Issuance of sight and/or usance up to 365 days.

Change of Address and Information

- It is important that you inform us of any change in your contact details to ensure that all correspondences reaches you in a timely manner.
- In accordance with AFFIN ISLAMIC Bank's policy/guidelines and per standard security documents, any change of contact details must be in writing and duly signed off by the Customer(s) and addressed to AFFIN ISLAMIC Bank Berhad.

If you have any questions or require assistance or wish to file a complaint on AFFIN Express Letter of Credit-i, you can:

 Call us at 03-8230 2222 (General Enquiries & Contact Centre) Available daily from 8.00 am to midnight, including public holidays	Scan the QR code below for our Bank's financing products. 
 Visit www.affinalways.com/en/express-letter-of-credit-i	
 Complete our online feedback form available at our websites: www.affingroup.com/en/affin-customer-care	

If you have difficulties in making payments, you can:

 Contact your respective Relationship Manager (Trade Finance) for assistance.
 Email us at sales_trade@affingroup.com .

Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK)

 Call AKPK at 03-26167766	Agensi Kaunseling dan Pengurusan Kredit has been established by Bank Negara Malaysia to provide free services on money management, credit counselling, financial education and debt restructuring for individuals.
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CUSTOMER'S ACKNOWLEDGEMENT *

Ensure you are filling this section yourself and aware what you are placing your signature for.

- I acknowledge that Affin Islamic Bank Berhad has provided me with a copy of the PDS.
- I have read and understood the key information contained in this PDS.

* **A customer's acknowledgement of this PDS shall not prejudice his/her rights to seek redress in the event of subsequent dispute over the product terms and conditions.**

Name: _____
Date: _____