

PRODUCT DISCLOSURE SHEET

(Please read this Product Disclosure Sheet before you decide to take the Maybank Islamic TRANSFERABLE LETTER OF CREDIT-i (TLC-i). Be sure to also read the general terms and conditions.

Product Name:
TRANSFERABLE LETTER OF CREDIT-i (TLC-i)

Date:

[The date issued to customer to be filled in by Sales Personnel]

1. WHAT IS THIS PRODUCT ABOUT?

TRANSFERABLE LETTER OF CREDIT-I (TLC-I) IS A LETTER OF CREDIT THAT ALLOWS THE FIRST BENEFICIARY OF THE LC TO TRANSFER EITHER PARTIAL OR FULL OF THE CREDIT, AVAILABLE TO ANOTHER PARTY (SECOND BENEFICIARY), SUBJECT TO THE APPROVAL OF THE ISSUING BANK.

THE SITUATION WHERE TLC-I IS REQUIRED IS WHEN THE FIRST BENEFICIARY IS NOT THE SOLE SELLER/EXPORTER OF THE GOODS, THUS FIRST BENEFICIARY WOULD LIKE TO TRANSFER SOME OR ALL OF THE OBLIGATION TO THE SECOND BENEFICIARY.

2. WHAT IS THE SHARIAH CONTRACT APPLICABLE?

THE SHARIAH CONTRACT APPLIED FOR TRANSFERABLE LETTER OF CREDIT-I IS WAKALAH BI UJRAH (AGENCY WITH FEE), WHEREBY A PARTY AS PRINCIPAL AUTHORIZES ANOTHER PARTY AS HIS AGENT TO PERFORM A PARTICULAR TASK, WITH IMPOSITION OF FEES. MAYBANK ISLAMIC BERHAD ("THE BANK") ACT AS AGENT TO CUSTOMER (FIRST BENEFICIARY) TO TRANSFER THE LC TO THE SECOND BENEFICIARY.

3. WHAT DO I GET FROM THIS PRODUCT?

BENEFITS FROM TRANSFERABLE LETTER OF CERDIT-i;

- CUSTOMER (FIRST BENEFICIARY) IS ABLE TO ARRANGE SIMILAR LC TERMS WITH THE SECOND BENEFICIARY
- CUSTOMER IS ABLE TO FULFILL LC REQUIREMENTS AND MAINATIN GOOD RELATIONSHIP WITH THE APPLICANT (BUYER)

4. WHAT ARE MY OBLIGATIONS?

- TO ENSURE TERMS AND CONDITIONS OF THE MASTER LC CAN BE COMPLIED WITH, PRIOR TO APPLYING FOR TRANSFER OF THE LC TO SECOND BENEFICIARY.
- TO ENSURE CONSISTENCY OF THE DETAILS IN THE LC ISSUED TO SECOND BENEFICIARY AGAINST THE MASTER LC.
- TO PAY THE LC CLAIM AMOUNT UPON COMPLYING PRESENTATION BY SECOND BENEFICIARY, AFTER RECEIVING THE SAME FROM THE APPLICANT.
- ADHERE TO TERMS AND CONDITIONS GOVERNING ISLAMIC TRADE FINANCE AS DEFINED IN GENERAL STANDARD TERMS AND CONDITIONS GOVERNING FACILITIES OR APPLICATION FORMS.

5. WHAT ARE THE FEES AND CHARGES I HAVE TO PAY?

▪ TRANSFER OF LC COMMISSION	SME CUSTOMERS: RM100 FLAT OTHERS: RM150 FLAT
▪ STAMP DUTIES	AS PER THE STAMP ACT 1949
▪ TRANSFER OF LC AMENDMENT A. INCREASE OF LC TRANSFER AMOUNT	0.1% PER MONTH/PART OF MONTH ON THE INCREMENTAL TRANSFER AMOUNT OR ON THE EXTENDED PERIOD OF THE LC, MINIMUM OF RM50.

B. EXTENSION OF LC VALIDITY	
▪ OTHER TRANSFER OF LC AMENDMENT	RM50 FLAT.
▪ OTHER FEES AND CHARGES	ALL OTHER COSTS AND EXPENSES I.E. LEGAL FEES AND OTHER CHARGES INCURRED IN THE PREPARATION OF ALL DOCUMENTATION PERFECTION AND PRESERVATION OF THE BANK'S SECURITY DOCUMENTS.

PLEASE REFER TO BELOW LINK FOR LATEST FEE AND CHARGES.

https://www.maybank2u.com.my/maybank2u/malaysia/en/business/trade/sme/other/trade_finance_operational_charge.page

6. WHAT IF I FAIL TO FULFILL MY OBLIGATIONS?

▪ LATE PAYMENT CHARGE (LPC)	<p>A. THE BANK HAS THE RIGHT TO BE COMPENSATED ON LATE AND/OR DEFAULT PAYMENT UPON MATURITY/JUDGEMENT (WHICHEVER IS EARLIER) AT PREVAILING DAILY OVERNIGHT ISLAMIC INTERBANK MONEY MARKET (IIMM) RATE ON THE OUTSTANDING BALANCE DUE AND PAYABLE OR ANY OTHER METHOD APPROVED BY BANK NEGARA MALAYSIA FROM TIME TO TIME.</p> <p>B. HOWEVER, THE AMOUNT OF LPC CHARGED TO THE CUSTOMER SHALL NOT BE FURTHER COMPOUNDED.</p> <p>NOTE: LEGAL ACTION WILL BE INITIATED IF YOU FAIL TO RESPOND TO THE REMINDER NOTICES.</p>
▪ RIGHT TO SET-OFF	THE BANK MAY WITH NOTICE TO YOU, COMBINE, CONSOLIDATE OR MERGE ALL OR ANY OF YOUR ACCOUNTS WITH, AND LIABILITIES THE BANK AND MAY SET OFF OR TRANSFER ANY SUM OUTSTANDING TO THE CREDIT OF ANY SUCH ACCOUNTS IN OR TOWARDS THE SATISFACTION OF ANY OF YOUR LIABILITIES TO THE BANK UNDER THE FACILITY.

7. WHAT IF I FULLY SETTLE THE FINANCING BEFORE ITS MATURITY?

NOT APPLICABLE

8. DO I NEED ANY INSURANCE / TAKAFUL COVERAGE?

IT DEPENDS ON THE TERMS AGREED BETWEEN CUSTOMER (BUYER) AND SUPPLIER.

9. WHAT ARE THE MAJOR RISKS?

PAYMENT TO BENEFICIARY OR ACCEPTANCE OF LC-I IS UPON COMPLIANT PRESENTATION BY BENEFICIARY AS PER LC-I TERMS. BANK WILL ONLY DEAL WITH DOCUMENTS AND NOT OBLIGED TO CONDUCT VERIFICATION OF PHYSICAL GOODS.

10. 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. TO UPDATE YOUR CONTACT DETAILS, YOU MAY INFORM US IN WRITING OR REACH US VIA ONE OF THE CHANNELS, E.G. : M2U OR ANY MAYBANK BRANCH.

11. WHAT CAN I GET ASSISTANCE AND REDRESS?

- I) IF YOU HAVE DIFFICULTIES IN MAKING PAYMENTS, YOU SHOULD CONTACT US EARLIEST POSSIBLE TO DISCUSS PAYMENT ALTERNATIVES. YOU MAY CONTACT US AT :

NAME OF BRANCH : _____

ADDRESS : _____

TEL/FAX : _____ E-MAIL : _____

- II) 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 MAY CONTACT AKPK AT:

TINGKAT 5 DAN 6, MENARA BUMIPUTRA-COMMERCE

JALAN RAJA LAUT

50350 KUALA LUMPUR

TEL : 03-2616 7766 WEBSITE : SERVICES.AKPK.ORG.MY

- III) IF YOUR QUERY OR COMPLAINT IS NOT SATISFACTORY RESOLVED BY US, YOU MAY CONTACT BANK NEGARA MALAYSIA LINK OR TELELINK AT :

BLOCK D, BANK NEGARA MALAYSIA

JALAN DATO' ONN

50480 KUALA LUMPUR

TEL : 1-300-88-5465

FAX : 03-21741515 EMAIL : BNMTELELINK@BNM.GOV.MY

12. WHERE CAN I GET FURTHER INFORMATION?

IF YOU HAVE FURTHER ENQUIRIES, PLEASE CONTACT US AT :

BRANCH:

ADDRESS :

TEL :

E-MAIL:

DISCLAIMER

THE INFORMATION, TERMS AND CONDITIONS IN THIS PRODUCT DISCLOSURE SHEET ARE INDICATIVE AND ARE NOT BINDING ON THE BANK. THE FINAL TERMS AND CONDITIONS ARE STIPULATED IN THE LETTER OF OFFER AFTER CREDIT ASSESSMENT AND FINAL APPROVAL BY THE BANK.

IMPORTANT NOTE:

THE BANK HAS THE RIGHT TO PROCEED WITH LEGAL ACTION AGAINST YOU IF YOU FAIL TO PAY YOUR MONTHLY INSTALLMENT PAYMENTS ON THE BUSINESS FINANCING.

THE INFORMATION PROVIDED IN THIS DISCLOSURE SHEET IS VALID FROM JUNE 2023