

<b>PRODUCT DISCLOSURE SHEET</b>  (Read this Product Disclosure Sheet before you decide to apply for Packing Credit. Be sure to also read the terms in the Letter of Offer. Seek clarification from your institution if you do not understand any part of this document or the general terms).	<b>PACKING CREDIT</b>  Date:
<b>1. What is this product about?</b>	
Packing Credit (PC) is a pre-export financing facility offered to an Exporter (Customer) where its drawdown is duly supported by an underlying Letter of Credit, Purchase Order or Sales Contract. PC enables the Exporter to advance a certain percentage of their confirmed export value prior to actual shipment, serving as working capital to complete the finish goods for export.	
<b>2. What are the main features of this product?</b>	
<ul style="list-style-type: none"> <li>• PC advances may be denominated in Ringgit Malaysia (RM) or foreign currency.</li> <li>• The margin of advance may be up to 80% of the underlying confirmed export value.</li> <li>• Financing Tenor is up to the latest shipment date as stipulated in the Letter of Credit, Purchase Order or Sales Contract or maximum 180 days, whichever is shorter.</li> <li>• For foreign currency denominated PC, 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</li> <li>• For RM denominated PC, the financing rate is pegged to the Bank's prevailing Base Lending Rate (BLR) plus a Margin, determined at facility structuring stage (total being the "prescribed rate")</li> <li>• The repayment of the PC advance is sourced from its export proceeds</li> </ul>	
<b>3. How is interest calculated?</b>	
Interest is accrued over the duration of the PC advance, collected on the maturity date or repayment date and is calculated as follows:  $\frac{[\text{PC Advance Amount} \times \text{Financing Rate (FC ECOF or BLR + Margin)} \times \text{Financing Tenor}]}{365 \times 100}$	
<b>4. How do I apply for this product?</b>	
<ul style="list-style-type: none"> <li>• You will need to have an approved PC Facility with the Bank and application must be made in the Bank's standard Application Form, duly completed and signed by your authorised signatory/ies.</li> <li>• Each application must be accompanied by the underlying original Letter of Credit, Purchase Order or Sales Contract, duly lodged with the Bank.</li> </ul>	
<b>5. What are my obligations?</b>	
<ul style="list-style-type: none"> <li>• Following the advances granted by the Bank, you are expected to complete the finish goods and effect shipment to the Buyer as per the terms of the Letter of Credit, Purchase Order or Sales Contract.</li> <li>• To present compliant documents against the underlying Letter of Credit or request the Buyer to effect settlement to you under Open Account.</li> </ul>	
<b>6. What if I fail to fulfil my obligations?</b>	
<ul style="list-style-type: none"> <li>• If the export proceeds are not received by the maturity date, the PC advance will be classified as past due.</li> <li>• Default interest at 1.0% p.a. above the "prescribed rate" or 3.5% p.a. above the Bank's prevailing Base Lending Rate will be imposed on the PC advance amount.</li> <li>• Any past due PC advance will affect your further drawdown of the PC Facility and any other facilities with the Bank.</li> <li>• If the past due PC remains unpaid after 3 months, your facilities with the Bank will be classified as non-performing.</li> <li>• The Bank has the right to set-off any credit balances in your account(s) against the past due PC advance following prior notification of 7 days to you.</li> <li>• The Bank may exercise its rights and start its recovery process/ legal action and your PC Facility along with any other facilities</li> </ul>	

with the Bank may be recalled.

#### 7. What are the major risks?

- Presentation of non-compliant documents against the underlying Letter of Credit may result in non-payment by Issuing Bank, thus impacting your ability to repay the PC advance made earlier.
- BLR is a variable financing rate published by the Bank and may change from time to time. Any increase in the BLR will result in higher repayment amount.

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

Interest	As mentioned above
Handling Charge	RM100.00
Other Charges	Please refer to our Letter of Offer and the Bank's Corporate website at <a href="http://www1.uob.com.my">www1.uob.com.my</a> for details

Note: The Bank may revise the commission, interest rate, fee and charges from time to time at its absolute discretion, subject to the Bank giving you advance notice of 21 days.

#### 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. Please inform us of any change in your contact details at the nearest UOBM branch or our Business Banking Service Center or contact your UOBM Account Relationship Manager.

#### 10. Where can I get assistance and redress?

- If you have difficulties in making settlement, please contact the Bank earliest possible to discuss settlement alternatives. You may contact your UOBM Account Relationship Manager or send an E-mail to us at [uobcustomerservice@uob.com.my](mailto:uobcustomerservice@uob.com.my) or contact us at Tel No. Kuala Lumpur 603 - 2612 8121; Penang 604 - 2401 121; Johor Bahru 607 - 2881 121; Kuching 082 - 287 121 or Kota Kinabalu 088 - 477 121
- 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 and debt restructuring for individual. You can contact AKPK at Maju Junction Mall, Tingkat 8, 1001 Jalan Sultan Ismail, 50250 Kuala Lumpur (Tel: 03-26167766 or E-mail at [enquiry@akpk.org.my](mailto:enquiry@akpk.org.my))
- If you wish to complain on the products or services provided by the Bank, you may E-mail us at [uobcustomerservice@uob.com.my](mailto:uobcustomerservice@uob.com.my) or contact us at Tel No. Kuala Lumpur 603 - 2612 8121; Penang 604 - 2401 121; Johor Bahru 607 - 2881 121; Kuching 082 - 287 121 or Kota Kinabalu 088 - 477 121
- If your query or complaint is not satisfactorily 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: 603 - 2174 1515; E-mail at [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my))

#### 11. Where can I get further information on the product?

- Should you require additional information on our products, please visit us at the nearest UOBM Branch or E-mail us at [businessbanking.servicecentre@uob.com.my](mailto:businessbanking.servicecentre@uob.com.my) or logon to [www1.uob.com.my](http://www1.uob.com.my) for more info.
- If you have any enquiries, please call our UOBM Business Banking Service Center at Kuala Lumpur 603 - 2616 6800; Penang 604 - 2626 800; Johor Bahru 607 - 2236 800; Kuching 082 - 236 820; Kota Kinabalu 088 - 246 820



The information provided in this disclosure sheet is valid as at September 2018 and is subject to change at the Bank's discretion from time to time.

**To: UNITED OVERSEAS BANK (MALAYSIA) BHD ((271809K))**

I/We hereby acknowledge receipt of the above Product Disclosure Sheet

-----  
Authorized Signatory & Company Stamp  
Date: