

PRODUCT DISCLOSURE SHEET



United Overseas Bank (Malaysia) Bhd

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on **Bill of Exchange Purchase**.

Other customers have read this PDS and found it helpful; **you should read it too.**

Date:

Know Your Bill of Exchange Purchase

Bill of Exchange Purchase (BEP) is a post shipment financing facility, whereby the Bank extends advances to the Seller (Customer) following the shipment of goods to the Buyer and presentation of the related documentation to the Bank for Collection. The advances extended by the Bank may serve to bridge the Customer's funding gap pending payment from their Buyer. BEP is self-liquidating in nature as its repayment is sourced from the proceeds of the Collection Bills.

The main features of this product are as follows:

- BEP is denominated in the currency of the Collection Bills.
- For foreign currency denominated Collection, 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**.
- For RM denominated Collection, 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")**.
- Under Documents Against Acceptance (DA) Collection, financing tenor is up to the remaining credit term to maturity.

Know Your Obligations

To repay the Bank in the event of non-payment from the Buyer.

Interest is calculated as follows:

$$\frac{[\text{BEP Principal Amount} \times \text{Financing Rate (FC ECOF or BLR* + Margin)} \times \text{Financing Tenor}]}{(360 \text{ or } 365) \times 100}$$

For this BEP **as an illustration**:

- Your Principal Amount: RM 100,000
- Your Financing Rate: 6.57% (BLR) + 1.25% (Margin)
- Your Financing Tenor: 90 days
- Your Interest: RM 1,928.22

In **total** you will pay **RM 101,928.22** on the maturity date.

It is your responsibility to:



Read and understand the **key terms** in the **Bank's standard Application Form/Indemnity** before you sign it



Pay your BEP Facility in **full on maturity date** if no payment is received from Buyer



Ensure you can afford to **pay a higher BEP amount** if BLR rises



Contact us immediately, if you are unable to pay your BEP facility

*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.

You also have to pay the following fees and charges:

	Sale / Export
Interest	As mentioned above
Collection Fee	<u>RM denominated BEP:</u> 0.1% flat with minimum RM 100 and maximum RM 500 <u>FCY denominated BEP:</u> RM 100
Stamp Duty	As per Stamp Duty Act 1949 (Revised 1989)
Other Charges	Please refer to our Letter of Offer and the Bank's Corporate website at www.uob.com.my for details

Effective 1 October 2025, the above trade related charges will be subject to an 8% Service Tax (SST), or any prevailing rate by the Malaysian Government, and will be payable by you, where applicable.

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

Know Your Risks

- Collection Bills does not entail any form of payment undertaking from Banks, hence payment rest solely with the Buyer's ability to pay promptly in accordance with the commercial contract terms. In the event of non-payment, you are required to repay the Bank when demanded upon.

What happens if you fail to make full repayment on the maturity date of the BEP?

- If the sale or export proceeds are not received from the Collecting Bank (Buyer's Bank) by the maturity date, the BEP will be classified as past due.
- 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 BEP principal amount**.
- Any past due BEP may hinder further drawdown on your BEP Facility and other facilities with the Bank.
- If the past due BEP remains unpaid after 3 months, your facilities with the Bank will be classified as non-performing.
- The Bank has the right to set-off any credit balances in your account(s) against the past due BEP following prior notification of 7 days to you.
- The Bank may exercise its rights and start its recovery process/ legal action against you.
- Your BEP Facility and other facilities with the Bank may be recalled.

Other Key Terms

- You will need to have an approved BEP Facility with the Bank and application must be made in the Bank's standard Application Form, along with Bills of Exchange, duly completed and signed by your authorised signatory/ies.
- Each application must be accompanied by the full set of original shipping documents under the Collection Bills.
- Please inform us of any changes in your contact details to ensure that all correspondences reach you in a timely manner.

Avenue for Redress or Assistance

- If you have difficulties in making settlement, please contact the Bank earliest possible to discuss settlement alternatives. You may contact your UOB Account Relationship Manager or send an E-mail to us at uobcustomerservice@uob.com.my or contact us at the numbers below.
- Alternatively, you may seek the services of Agensi Kaunseling dan Pengurusan Kredit (AKPK). AKPK has been 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 Level 5 & 6, Menara Bumiputra Commerce, Jalan Raja Laut, 50350 Kuala Lumpur (Tel: 03-26167766 or E-mail at enquiry@akpk.org.my).

**Note: subject to Bank's credit assessment.

If you have any questions or require assistance on your BEP facility, you can:



Call us at

Kuala Lumpur	+6 03-26128 121
Penang	+6 04-2402 121
Johor Bahru	+6 07-2881 121
Kuching	+6 082-287 121
Kota Kinabalu	+6 088-477 121



Visit us at the nearest UOB branch



Email us at

uobcustomerservice@uob.com.my



Log on to

<https://www.uob.com.my/business/trade/index.page>

The information provided in this disclosure sheet is valid as at January 2026 and is subject to change from time to time.