

PRODUCT DISCLOSURE SHEET



United Overseas Bank (Malaysia) Bhd

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on **Letter of Credit Transfer**.

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

Date:

Know Your Letter of Credit Transfer

A Letter of Credit Transfer (LT) is a service offered by the Bank (Transferring Bank) to facilitate the transfer of a Letter of Credit, in whole or in part to one or more Second Beneficiary/ies.

Pre-requisite to enable the transfer to take effect includes:

- (a) The said Letter of Credit must stipulate instrument is transferable
- (b) Written request for transfer must be made by the Letter of Credit Beneficiary (Customer/ Seller)

While the Letter of Credit Beneficiary may have the right to request for transfer, the nominated Transferring Bank (UOBM) is under no obligation to act upon the request, unless agreeable to do so and upon payment of its transfer fees.

The main features of this product are as follows:

- The LT is subject to the Uniform Customs and Practice for Documentary Credits, Publication 600 (UCP 600).
- LT enables you to source for the required merchandise as stipulated in the Letter of Credit from a third party (Second Beneficiary) via the same Letter of Credit instrument.
- You may dictate selected terms under the transferred Letter of Credit to be changed/ curtailed, including the unit price of the said merchandise, thus protecting your profit margin.

Know Your Obligations



You are required to perform substitution of documents, primarily the Invoices and Bills of Exchange, when called upon by the Transferring Bank.

The substituted documents must not give rise to any discrepancies when examined against the original Letter of Credit vis-à-vis the transferred Letter of Credit.

It is your responsibility to:



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

Ensure that the substituted documents comply strictly to the original Letter of Credit.

You also have to pay the following fees and charges:

	Sale / Export
Transfer Fee	0.1% flat with minimum RM100
Amendment Fee involving increased amount and/or extended validity	0.1% flat on the increased amount and/or extended validity with minimum RM50
Other Amendment Fee	RM 50
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

- You will not have any control over the merchandise shipped by the Second Beneficiary, which may potentially lead to quality issues raised by the Buyer thus impacting your future dealings with them. Nevertheless, it must be noted that banks deals with documents only and will not be concerned with the physical goods.
- Failing to substitute compliant documents timely may result in you losing your profit margin.

What happens if you fail to fulfil your obligations?

- If you failed to substitute documents timely when requested upon, the Transferring Bank have the right to present the Second Beneficiary's documents to the Issuing Bank for payment.
- Likewise if the substituted documents resulted in discrepancies, the Transferring Bank have the right to present the Second Beneficiary's documents, which are clean or in compliant with the transferred Letter of Credit to the Issuing Bank for payment.

Other Key Terms

- You do not need to have any prior approved facility with the Bank to enjoy this service. However, you will need to advise your Buyer to request their Banker (Letter of Credit Issuing Bank) to allow the Letter of Credit to be transferable and to nominated UOBM as the Transferring Bank.
- Application for LT must be made in the Bank's standard Application Form, duly completed and signed by your authorised signatory/ies and pledge of the original Letter of Credit with the Bank (Transferring Bank).
- 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).

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



Call us at

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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.