

# PRODUCT DISCLOSURE SHEET



United Overseas Bank (Malaysia) Bhd

Dear Customer,

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

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

Date:

## Know Your Standby Letter of Credit

Standby Letter of Credit (SBLC) is a written undertaking by the Bank, issued at the request and for the account of the Applicant (Customer) whereby the Bank undertakes to make payment to a named Beneficiary up to the stated sum as stipulated in the SBLC in the event a valid written demand is received by the Bank.

The Bank offers 2 types of SBLC, briefly summarized below:

- Performance SBLC - Issued in support of the Customer's fulfilment of a contracture obligation in accordance with the terms and conditions of an underlying contract or agreement.
- Financial SBLC - Issued in support of the Customer's undertaking to secure the repayment of a debt or liability.

The main features of this product are as follows:

- The Bank acts as a Guarantor for the Customer. SBLC are generally issued in the Bank's standard format, in favour of a named Beneficiary, for a specific duration and amount and stipulating its undertaking to honour upon receipt of a valid written demand, without requiring or imposing any prior conditions or terms to be met.
- SBLC are issued subject to International Standby Practices 1998 (ISP 98) or if requested upon, the Uniform Customs and Practise for Documentary Credits, Publication 600 (UCP 600).

## Know Your Obligations



You are required to pay immediately upon notification by the Bank, following the presentation of a valid written demand under the said SBLC to the Bank by the named Beneficiary.

### It is your responsibility to:



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



Ensure you have **available funds** in your account to settle any demand on the SBLC.

### You also have to pay the following fees and charges:

<b>Issuance Fee</b>	From 0.1% p.m. or part thereof, minimum RM 100
<b>Amendment Fee involving increased amount and/or extended validity</b>	From 0.1% p.m. or part thereof, on the increased amount and/or extended validity, minimum RM 100
<b>Other Amendment Fee</b>	RM 100
<b>Stamp Duty</b>	As per Stamp Duty Act 1949 (Revised 1989)
<b>Other Charges</b>	Please refer to our Letter of Offer and the Bank's Corporate website at <a href="http://www.uob.com.my">www.uob.com.my</a> 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

- Payment to the SBLC Beneficiary is upon presentation of a valid written demand against the said SBLC. Bank has no obligation to verify and/or validate whether an event of default has occurred on the underlying purpose of the said SBLC

### What happens if you fail to fulfil your obligations?

- Default interest at 3.5% p.a. above the Bank's Base Lending Rate\* will be imposed on such sum paid by the Bank pursuant to the SBLC issued by the Bank.
- Default in SBLC payment will affect your further drawdown of the SBLC Facility and any other facilities with the Bank.
- The Bank has the right to set-off any credit balances in your account(s) against any outstanding balances following prior notification to you.
- The Bank may exercise its rights and start its recovery process/ legal action against you.
- Your SBLC Facility along with any other facilities with the Bank may be recalled.

## Other Key Terms

- You will need to have an approved SBLC Facility with the Bank and application must be made in the Bank's standard Application Form and Letter of Indemnity, duly completed and signed by your authorised signatory/ies.
- Each application to be accompanied by copy of underlying Contract or Agreement and sample SBLC format, if available.
- 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](mailto: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](mailto:enquiry@akpk.org.my)).

\*Note: 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.

**If you have any questions or require assistance on your SBLC 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](mailto: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.