PRODUCT DISCLOSURE SHEET

United Overseas Bank (Malaysia) Bhd

Date:

Dear Customer,

This Product Disclosure Sheet (PDS) provides you with key information on **Bank Guarantee-i**.

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

Know Your Bank Guarantee-i

A written undertaking by UOB at the request of the applicant (yourself), in favor of a third party (the beneficiary) guaranteeing payment or provide assurances of the applicant's ability to perform under the terms of a contract between the beneficiary.

The Bank offers 2 types of Bank Guarantee-i (BG-i), briefly summarized below:

(a) Performance Guarantee - Issued in support of the Customer's fulfillment of a contracture obligation in accordance with the terms and conditions of an underlying contract or agreement.

(b) Financial Guarantee - Issued in support of the Customer's undertaking to secure the payment of a debt or liability.

The main features of this product are as follows:

- The Bank acts as a Guarantor for the Customer. Guarantees 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.
- Guarantees are generally issued subject to Malaysian Law or if requested upon, the Uniform Rules for Demand Guarantees, Publication 758 (URDG 758).

The applicable Shariah concept:

- The Shariah concept used is **Kafalah.**
- Kafalah can be defined as a surety given by the first party who agrees to discharge a liability of a third party in case the second party defaults in fulfilling his obligation.

Know Your Obligations

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

It is your responsibility to:

- Read and understand the **key terms** in the **Bank's standard Application Form/Indemnity/Agreement where applicable** before you sign it
- Ensure you have **available funds** in your account to settle any demand on the BG-i
- Check your **takaful/insurance** requirements arrangement where applicable

You also have to pay the following fees and charges:

Fees and charges	Type of Charges	Amount (RM)
Commission	Issuance Commission	From 0.1% per month or part thereof, inclusive of any claim period with minimum of RM100, whichever is higher.
	Amendment Commission (Amount/Tenure)	From 0.1% per month or part thereof, inclusive of any claim period with minimum of RM100, whichever is higher.
	Non-Cancellation Fee* (3 months after expiry date or claim end date) *Previously known as Non-Return of Bank Guarantee-i	From 0.1% to 0.125% per month or part thereof or minimum of RM100, whichever is higher.
Stamp Duty	As per Stamp Duty Act 1949 (Revised 1989)	
Other Charges	Please refer to our Letter of Offer and the Bank's published website under Islamic Banking https://www.uob.com.my/islamic/tools-guide/fees-and-charges.page	

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, profit rate, fee and charges from time to time subject to the Bank giving you advance notice of 21 calendar days.

Know Your Risks

- Guarantee issued with no specific expiry date and/or determinable amount will entail a written discharge letter from the Beneficiary plus return of the original guarantee, prior to its cancellation.
- Payment to the BG-i Beneficiary is upon presentation of a valid written demand against the said guarantee. Bank has no obligation to verify and/or validate whether an event of default has occurred on the underlying purpose of the said guarantee
- Bank may liquidate your security/collateral towards settling the payment as claimed by the contract awarded/third party.

What happens if you fail to fulfil your obligations in a timely manner?

- Your BG-i facility may be cancelled.
- The Bank has the right to charge additional fee for non-return of original instrument.
- You will need to pay all additional costs, charges, compensation and expenses incurred until BG-i facility is fully paid.
- We will utilize your BG-i as claimed by the contract awarder/third party and you must compensate the Bank equivalent to the amount paid within 7 working days.
- The Bank may charge Ta'widh (compensation) on advances against guarantee if you fail to make payment due to the banks as follows:
    - for any failure on your part to pay any amount overdue and which failure continues beyond the tenure of the BG-i or after judgment is obtained against you (whichever is earlier), at such rate per annum as determined by the Bank from time to time provided that the applicable compensation rate shall not at any time exceed the prevailing Bank Negara Malaysia's (BNM) Islamic Interbank Money Market (IIMM) Rate on the total outstanding balance of the BG-i calculated on daily rest basis; and

Compensation Charges

Default payment which exceeded the maturity date	$$\frac{\text{Outstanding Balance x IIMM Rate x No. of Days Overdue}}{365}$$ Note: **IIMM** = Islamic Interbank Money Market

    - the amount of such compensation shall not be compounded;
    - by any other method approved by the Shariah Advisory Council of BNM.
- The Bank has the right to set-off any credit balances in your account(s) against any outstanding balances following prior notification of 7 calendar days to you.
- If your account remains unpaid, it shall be classified as Non-Performing Financing (NPF). This will affect your further utilization of other banking facilities with the Bank.
- The Bank may exercise its rights and start its recovery process / legal action.
- Your BG-i Facility along with any other facilities with the Bank may be recalled.
- The Bank have the right to cancel the BG-i Facility and to require you to fully settle the BG if you, your partner or your joint obligor dies (for sole proprietorship and partnership).

Other Key Terms

- You will need to have an approved BG-i 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 a copy of Guarantee format and/or contract/ agreement, if any.

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 UOBM 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 BG-i 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/islamic/business/trade.page

The information provided in this disclosure sheet is valid as at 1 July 2026 and is subject to change with prior notice by the Bank from time to time.