

<h2 style="margin: 0;">PRODUCT DISCLOSURE SHEET</h2> <p style="font-size: small; margin-top: 10px;">(Read this Product Disclosure Sheet before you decide to take up the Invoice Financing-i (IF-i). Be sure to also read the general terms and conditions. Seek clarification from us if you do not understand any part of this document or general terms).</p>	<p><b>United Overseas Bank (M) Bhd</b> (Company No. 271809-K)</p> <p><b>Product: Invoice Financing-i</b></p> <p>Date: _____</p>																				
<p><b>1. What is this product about?</b></p> <p>Invoice Financing-i (IF-i) is a short term working capital facility, drawn to finance Customer's Open Account payables and receivables.</p>																					
<p><b>2. What is the Shariah concept applicable?</b></p> <p>The Shariah concept used is Tawarruq which is supported by Wakalah concept.</p> <p>Tawarruq is an arrangement that involves a Sale of a commodity or asset to customer based on deferred payment basis by way of Murabahah. In this case, the Customer purchases the commodity as the underlying asset from the Bank. The commodity or asset is then sold for cash to a party other than original seller.</p> <p>Wakalah is a contract of appointment of an agent whereby the customer appoints the bank to act on the customer's behalf. Under this structure, there will be a Dual-Agency arrangement whereby the Customer will appoint the Bank as:</p> <p>a) Purchasing Agent: The Bank will act on behalf of the Customer to purchase the commodity from the Bank at an agreed price and tenure.</p> <p>b) Selling Agent: The Bank will act on behalf of the Customer to sell the commodity to the commodity trader.</p>																					
<p><b>3. What do I get from this product?</b></p> <p>You will be provided with Facility to finance your payables/receivables from a supplier/buyer with the following features:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Currency</td> <td>Ringgit Malaysia or Foreign Currency (as allowed under the Islamic Financial Services Act 2013)</td> </tr> <tr> <td>Tenure</td> <td>(According to your Letter of Offer)</td> </tr> <tr> <td>Amount limit</td> <td>Note: 1. Not exceeding Facility approved limit 2. Minimum RM10,000.00 for each drawdown</td> </tr> <tr> <td>Bunching</td> <td>Bunching of Invoices is allowed, provided in the same class.</td> </tr> <tr> <td>Margin of Financing</td> <td>Up to 100%</td> </tr> <tr> <td>Financing Cost</td> <td>Prevailing Base Funding Rate (BFR) / Cost of Financing Rate (CFR) / Foreign Currency Cost of Fund (FCY COF) plus margin / spread, where applicable.</td> </tr> <tr> <td>Eligible goods/services to be financed</td> <td>1. Halal goods including <ul style="list-style-type: none"> <li>• Stocks and inventories</li> <li>• Raw material</li> </ul> 2. Services (intangible goods) (Shariah compliant)  3. Charges / payments (Shariah compliant)</td> </tr> </table>		Currency	Ringgit Malaysia or Foreign Currency (as allowed under the Islamic Financial Services Act 2013)	Tenure	(According to your Letter of Offer)	Amount limit	Note: 1. Not exceeding Facility approved limit 2. Minimum RM10,000.00 for each drawdown	Bunching	Bunching of Invoices is allowed, provided in the same class.	Margin of Financing	Up to 100%	Financing Cost	Prevailing Base Funding Rate (BFR) / Cost of Financing Rate (CFR) / Foreign Currency Cost of Fund (FCY COF) plus margin / spread, where applicable.	Eligible goods/services to be financed	1. Halal goods including <ul style="list-style-type: none"> <li>• Stocks and inventories</li> <li>• Raw material</li> </ul> 2. Services (intangible goods) (Shariah compliant) 3. Charges / payments (Shariah compliant)						
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<p><b>4. What are my obligations?</b></p> <p>You must settle the financing amount (Principal) plus Profit in full upon IF-i maturity. Principal plus profit refers to Selling Price</p>																					

**5. What are the fees and charges I have to pay?**

Type of Fees and Charges	For Purchase	For Sale
• Handling Fee for transaction below RM50,000	RM100	
• Bunching Fees exceeding 5 copies or more than 3 payments to be made under one transaction	RM50	
• Direct Reimbursement Fee, where prior settlement of invoices was made with other banks.	RM100	Not Applicable
• Stamp Duties	• As per the Stamp Duty Act 1949 (Revised 1989)	
	Type of Charges	Amount (RM)
	Facility Agreement	Ad Valorem
	Other Security Document	
	➤ Letter of Offer	Nominal; RM10
• Brokerage Fee	RM15 for every transaction of RM1 million or part thereof in the currency of transaction	
• Other Charges	Please refer to our Letter of Offer and the Bank's Corporate website at <a href="https://www.uob.com.my">https://www.uob.com.my</a> for details	

Please request from your Relationship Manager for the Bank's Standard Charges on Islamic Trade Finance products and Services or retrieve it from our corporate website.

If there are any changes in fees and charges that are applicable to your financing Facility, the Bank will notify you at least 21 calendar days prior to the effective date of implementation.

**6. What if I fail to fulfill my obligations?**

Should you fail service your payment obligation in a timely manner, the following shall apply:

• **Compensation charges**

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

• **Right to set-off**

The Bank is entitled to set-off any credit balance in your deposit maintained with the Bank against any outstanding financing amount and the Bank will inform you at least 7 calendar days in advance of the intention to set-off.

• **Legal Action**

Legal action will be taken if you fail to respond to reminder notices. The security may be enforced and all costs will be borne by you. The Bank reserves the right to commence recovery, foreclosure and bankruptcy proceedings. You are also responsible to settle any shortfall after the security is disposed.

**7. What if I fully settle the financing before its maturity?**

- The Bank shall grant Rebate (Ibra') on any amount payable by you in respect of any payment due under the Facility taken up by you with the Bank in any of the following situations:
  - any early settlement or early redemption by you;
  - any settlement of the IF-i Facility due to any financing restructuring exercise by Customer;
  - any settlement by you upon occurrence of the Event of Default; and
  - any settlement by you in the event of termination or cancellation of the IF-i Facility before the expiry of the IF-i Facility Period.

- Rebate (Ibra') : \*Remaining Unearned Profit – Bank Charges (if any)  
= Total Profit – Actual Profit - Bank charges (if any)

where by

- Total Profit: Profit computed from date of disbursement to the maturity
- Actual Profit: Profit computed from date of disbursement to the date of settlement.

The calculation of Rebate (Ibra') shall be made in accordance with any rules, regulations and/or directives (whether or not having the force of law) required of or imposed upon the Bank from time to time and at any time by Bank Negara Malaysia or any other authority having jurisdiction over the Bank.

**8. Brief Terms and Conditions**

- Only Halal/Shariah permissible bills/invoices/goods are allowed to be transacted for this purpose.
- The Bank would structure Invoice Financing-i facility with the appropriate tenure according to your business requirement and trade cycle subject to a maximum of 365/360 days.
- Security / collateral may be required to support application for Invoice Financing-i facility.

- Guarantor may be required.
- You may be required to submit a list of your buyers/suppliers to the bank for approval. The approved buyers'/suppliers' list will be reviewed by the bank.

**9. What are the major risks?**

- If financing is in foreign currency, you may face foreign exchange risk.
- If you failed to settle a matured IF-i transaction you may not be allowed to further utilise the IF-i Facility and recovery processes including of legal action may be taken against you to recover the amount due.
- If you fail to settle any Foreign Currency IF-i on its maturity date, the Bank shall be entitled (but shall not oblige) to crystallise and convert such Foreign Currency IF-i (s) to Ringgit Invoice Financing at the Bank's prevailing rate of exchange. When this happens, Compensation (Ta'widh) shall apply, from the date of conversion to the date of full settlement.

**10. 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 to the nearest UOB branch or our Business Banking Service Centre or contact your UOB Malaysia Account Relationship Manager.

**11. 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 UOB Malaysia 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 [bnmteletelink@bnm.gov.my](mailto:bnmteletelink@bnm.gov.my))

**12. Where can I get further information?**

- Should you require additional information on our products, please visit us at the nearest UOB branch, email 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 UOB Malaysia Business Banking Service Center at Kuala Lumpur 603 - 2616 6800; Penang 604 - 2626 800; Johor Bahru 607 - 2236 800; Kuching 082 - 236 820 or Kota Kinabalu 088 - 246 820

**IMPORTANT NOTE:**

**LEGAL ACTION MAY BE TAKEN AGAINST YOU IF YOU DEFAULT OF ANY TERMS OF FINANCING THEREIN ON THE DUE DATES**

*The information provided in this product disclosure sheet is valid as at 8 Apr 2022 and is subject to change at the Bank's discretion from time to time.*

The terms and conditions indicated in this Product Disclosure Sheet are indicative and not binding on the Bank. The final terms and conditions are as stipulated the letter of offer and Facility Agreement after bank assessment and financing approval.

<p>I / We hereby confirm having explained the Product Disclosure Sheet (PDS) to Customer.</p> <p>.....</p> <p>Staff Name: Staff ID: Date:</p>	<p>I / We hereby confirm having received and understand the explanation given.</p> <p>.....</p> <p>Name: NIRC: Date:</p>
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