


PRODUCT DISCLOSURE SHEET

PRODUCT DISCLOSURE SHEET (Read this Product Disclosure Sheet before your business/company decides to take up the product. Be sure to also read the bank's terms and conditions, which includes terms in the Facility Offer Letter, the relevant Application Form and the Bank's Standard Trade Terms (available at https://www.gbm.hsbc.com/gtrfstt or upon request).)	HSBC Bank Malaysia Berhad (HSBC)  BANKERS ACCEPTANCES <Date>
1. What is this product about? Bankers Acceptances (BA) is a Negotiable Bill of Exchange that is drawn on and accepted by a bank in Malaysia to finance the drawer's business-related purchases from or sales of goods to another person who may be a resident or non-resident, evidenced by proper and adequate documentation. A BA facility is a Ringgit working capital facility that is subject to prevailing "Guidelines on Bankers Acceptances" issued by Bank Negara Malaysia. (" BA Guidelines ") The minimum financing tenor is 21 days and maximum financing tenor is subject to approved financing tenure as stipulated in the Facility Offer Letter but not exceeding 365 days. Minimum amount of financing is RM50,000 and in multiples of RM1,000. Interest is paid up front. Interest will be charged at a rate quoted by the Bank for the respective tenor at the time of discounting. Quotations are obtainable on request. <u>Standard Cut-Off Times</u> Standard Cut-Off Times (Monday to Friday except for public holidays) for settlements are subject to the respective foreign currencies cut-off time and provided that complete information is received: - <ul style="list-style-type: none">• Cross Border Payments - 12.00 p.m. (exclude AUD & JPY)• Ringgit Payments (Rentas) – 11.00 a.m. Note: Service delivery standards shall depend on customer's grouping as "Premier" or "Standard" or as agreed in customer's legal agreements. Kindly contact the Client Services Team for further details on other cut-off times not mentioned above.	
2. What do I get from this product? The BA facility is constructed around your business/company's trading cycle and the nature of business, providing the required working capital finance and help improve your business' cash flow towards purchase/sales of goods that are core to your procurement/production and/or sales requirements. Depending on your business needs and the Bank's credit risk appetite, loans may be disbursed for the purchase/sales of goods that are core to your procurement/production and/or sales requirements. The financing interest rate is calculated based on the Bank's internal Ringgit Cost of Funds plus an agreed margin (Acceptance Commission) as stipulated in the Facility Offer Letter.	
3. What are my obligations? Utilisation of BA Facility must be supported by submission of BA application form, original BA Draft, relevant invoice and transport document. The documents presented to the Bank for financing relate to genuine trade transactions (for business related purchases or sales of goods only, services are not included unless exemption is granted by BNM) and where BA facility is approved based on summary listing of invoices, you are obliged to immediately provide and make available to the bank the original invoices, other related commercial and/or financial documents (collectively "Original Documents") as may be requested from time to time. Your business/company will need to repay the full value of the BA loans on due date (including any interest charged as applicable). Procedures for accepting or discounting BAs will be subject to the prevailing BA Guidelines and such conditions and	

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guidelines laid down from time to time by Bank Negara Malaysia or other statutory bodies. The Bank may assist to confirm on the details of the BA draft to ensure that BA draft complies with the terms of your credit facility and all the applicable conditions for the creation of BAs specified in the BA Guidelines.

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

Key Charges for a BA Facility includes: -

Key Charges	Description
Interest Rate	Charged at the Bank's internal Ringgit Cost of Funds plus margin (Acceptance Commission) as determined by the Bank and stipulated in the Facility Offer Letter
Acceptance Commission	Charged at an agreed percentage p.a. as stipulated in the Facility Offer Letter
Handling Fee	RM5
Other charges	Please refer to our schedule of tariff and charges at https://www.business.hsbc.com.my/en-gb/my/generic/rates-tariff-and-charges for full list of charges. The fees and charges above may be updated from time to time and in case of inconsistency, the fees and charges stated in the prevailing standard tariff and charges (which is available at https://www.business.hsbc.com.my/en-gb/my/generic/rates-tariff-and-charges) shall prevail over the fees and charges stated in this document.

5. What if I fail to fulfill my obligations?

Right To Set-Off

In the event of a default, your business/company will need to pay all additional interest, costs, charges and expenses incurred until the loan is fully repaid, which will be debited and/or set off from any credit balance(s) in any of your business/company's account(s).

Late Payment Penalty

All BAs drawn must be paid on their respective maturity dates and if there is default in such payment, the matured BAs will be charged at: -

- (i) the maximum interest margin plus penalty (if any) prescribed by Bank Negara Malaysia from time to time; or
 - (ii) the discount rate plus a late payment fee of 1%; or
 - (iii) 1.00 % per annum plus the Bank's then prevailing Base Lending Rate;
- whichever is the highest, plus a late payment processing fee of RM150, from the date the BA becomes due until full repayment.

Please refer to our schedule of tariff and charges at <https://www.business.hsbc.com.my/en-gb/my/generic/rates-tariff-and-charges> for more information.

6. What if I fully settle the loan before its maturity?

A BA can only be settled earlier than its maturity date provided the BA is not sold in the secondary market, i.e. the Ringgit Interbank market.

7. Do I need any insurance / takaful coverage?

Whilst you do not specifically need to take up any insurance / takaful coverage for this product, you are encouraged to consider taking up appropriate coverage to protect your goods / business such as Marine Cargo Insurance, Fire Commercial or Flexi Business Shield. Please contact your Relationship Manager for further details.

8. What are the major risks?

There is minimum risk in terms of changes in interest rates for the duration of the loan tenure as the BA financing rate is locked in for the duration of the loan tenure. However, you may be exposed to foreign exchange fluctuation risk for your international trade as BA financing is in Ringgit.

If your business/company has problems meeting this loan obligations, contact us early to discuss repayment alternatives.

9. What do I need to do if there are changes to my contact details?

It is important that the Bank is informed of any change in your business/company's contact details to ensure that all correspondences reach your business/company in a timely manner. Changes in your business/company's contact details should be formally submitted in writing and duly authorized by the company's authorized signatories. Please contact your Relationship Manager for further clarification.

10. Where can I get further information?

Should you require additional information about taking up Bankers Acceptances, please refer to the *bankinginfo* booklet on 'Small and Medium Enterprises - Financing Products for Your Business – Trade Financing – Banker's Acceptance', available at www.bankinginfo.com.my.

Kindly take note that the information available in the *bankinginfo* booklet refers to types of financing products in general, and is not an exact representation of products offered by the Bank.

- If you have any enquiries, please contact your Relationship Manager or Trade representative or visit our website at: <https://www.business.hsbc.com.my>.

11. Where can I get assistance and redress?

- If you have difficulties in making payments, you should contact your Relationship Manager earliest possible to discuss payment alternatives.

- If you wish to speak to our Trade representative, you may contact us at:

Client Service Team

Tel: 1-300-88-1099

Email: gtrf.client.services.my@hsbc.com.my

- You may also 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 individuals and SMEs. You can contact AKPK at:

Level 5 and 6, Menara Bumiputra Commerce,

Jalan Raja Laut

50350 Kuala Lumpur

Tel: 03-2616 7766 (Monday to Friday; 9am - 5:30pm local time)

Email: enquiry@akpk.org.my

- If you wish to complain, please contact the following: -

If you wish to complain on the products & services provided by us, you may contact us at:	If your query or complain is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:
<p>HSBC Bank Malaysia Berhad Customer Experience Team, Level 30, Menara IQ Persiaran TRX 55188 Tun Razak Exchange, Kuala Lumpur Malaysia Telephone: +603-2075 6235 Facsimile: +603-88942811 Operating Hours: (9.00am to 4.00pm–Monday to Friday) E-mail: complaints@hsbc.com.my</p>	<p>Bank Negara Malaysia Jalan Dato' Onn, P.O. Box 10922 50929 Kuala Lumpur. Tel: 1-300-88-5465 (1-300-88-LINK) (Overseas: 603-2174-1717) Fax: 603-2174 1515 Web form: eLINK at https://telelink.bnm.gov.my/ Operating Hours: 9.00am to 5.00pm–Monday to Friday General Number: 603-26988044/2698 9044/9179 2888</p>

12. Other trade loans available?

Other trade finance solutions include (but not limited to): -

- Receivables Financing
- Supply Chain Financing
- Pre/Post-Shipment Buyer Loans
- Pre/Post-Shipment Seller Loans
- Documentary Credit Issuance / Shipping Guarantee
- Bank Guarantee / Standby Documentary Credit Issuance
- Export Bills Purchased
- Export Documentary Credit Negotiation
- Export Credit Refinancing

Please also contact your Relationship Manager or Trade Representative for details of other Non-Financed Trade Services and/or further discussion on appropriate financing solutions that caters to your company's best interest.

IMPORTANT NOTE(S):

- **Your business/company will be classified as bad and doubtful after 3 months / 90 days default in any loan/facility repayments and this trade facility may be withdrawn/cancelled.**
- **You are advised to go through and understand the information in this Product Disclosure Sheet. HSBC recommends that before you make any decision or accepting any of the Bank's terms and conditions for this product (for example, terms and conditions found in facility offer letter, or the Bank's Standard Trade Terms, etc) you should consult with qualified professional advisers to obtain the appropriate financial, legal, accounting, tax or other advice which is suitable for your business, as well as to ensure adequate understanding of your key contractual obligations under these terms and conditions. We are always ready to assist and provide clarification if you are in doubt. Should you require any support, kindly reach out to your Relationship Manager or the relevant HSBC officer. Your subsequent application for the trade service/facility is deemed as having an understanding of the relevant product (and you have sought for clarification, if required).**
- **The Customer hereby acknowledges and agrees that by signing this document (or by way of an email confirmation provided to HSBC) all the terms and conditions of the Product Disclosure Sheet have been explained to them.**

The information provided in this disclosure sheet is valid as at or until **<insert date>**.

Name:

Designation:

Company Name:

Date: