

**PRODUCT DISCLOSURE SHEET**

Please be reminded to read and understand this Product Disclosure Sheet before you decide to take up the product. Be sure to also read and understand the final terms and conditions which will be documented in the form of Letter of Offer (“LO”) and/or Facility agreements. You are hereby reminded to always seek and obtain your own independent legal advice. Kindly seek clarification from AmBank Islamic Berhad’s authorised representative if you do not understand any part of this document or the general terms stated herein.

AmBank Islamic Berhad  
 Export Credit Refinancing-i (Pre- Shipment)  
 Date: 01 September 2023

**1. What is this product about?**

Export Credit Refinancing-i (“ECR-i”) (Pre-Shipment) is a facility (“Product” or Facility”) for the purpose to facilitate manufacturer / agricultural products producer in the production of eligible goods and to facilitate trading company for purchase/order of domestic intermediate / final products, for export prior to shipment. It is also used to finance import / local purchases against the bank’s Letter(s) of Credit, Inwards Bills under Document against Payment (“D / P”) or Document against Acceptance (“D / A”) and Local Inwards Bills / Direct Invoice.

**2. What is the Shariah concept applicable?**

*Murabahah*, which refers to a sale and purchase of an asset where the acquisition cost and the mark-up are disclosed to the purchaser. In *Murabahah* transactions, you (customer) will be appointed as an agent by the Bank to acquire the required asset.

The criteria of the assets under *Murabahah* transactions are as follows:

- (a) The asset must exist and identifiable in terms of its location, quantity, quality and complete in its physical form. Assets under construction or to be constructed must not be sold through *Murabahah* transaction before the construction / commissioning is completed.
- (b) The asset must be permissible under Shariah, valuable and beneficial to the purchasers.
- (c) The asset must be transferable (i.e. something that can be delivered).

**Note:** Access to the Facility is subject to the products which are not listed under the First Schedule of Custom Duties Order (list of goods of which is prohibited to be exported)

**3. What do I get from this product?**

- (a) Total facility applied: RM
- (b) Tenure: Max – 4 months
- (c) Acquisition cost: Based on invoice value.
- (d) Profit Rate structure (Mark-up profit):
  - Fixed (benchmarked against the Bank’s prevailing Cost of Fund)

**4. What are my roles and obligations?**

- (a) To purchase the asset as an agent to the Bank.
- (b) As an agent to the Bank, you are authorized to sign / execute all documents and observe / perform all obligations in connection with the agency herein.
- (c) You are also required to adequately cover the asset against all risks, including fire, flood, theft and other risk common in your trade during the delivery of the asset from the Seller and when the asset is stored in your warehouse.
- (d) As an agent, you are also required to adhere to the Terms and Conditions of the product which can be found at [www.ambankgroup.com](http://www.ambankgroup.com)
- (e) Total asset purchased shall not exceed the total facility amount applied.
- (f) Payment structure: Bullet (principal + profit due on maturity)

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

No.	Description	Pricing / Rate
1.	Commission	As per latest EXIM Bank guideline on ECR-i facilities
No.	Type of Fees and Charges	Tariff
2.	RENTAS Payment / Interbank GIRO	RM2 flat
3.	Postage / Registered post	<ul style="list-style-type: none"> <li>• Within Malaysia: RM5 flat</li> <li>• Outside Malaysia: RM20 flat</li> </ul>
4.	Courier Services	<ul style="list-style-type: none"> <li>• Within Malaysia: RM15 flat</li> <li>• Outside Malaysia: Subject to destination</li> </ul>
5.	Stamp Duty	As per Stamp Duty Act 1949 (Revised 1989)

The fees and charges are exclusive of any taxes, including but not limited to, goods and services tax, value added tax, consumption tax, consumer tax, indirect tax, service tax, sales tax, duties, levies or any other taxes ("Taxes") which may now be or hereafter be imposed by the Government of Malaysia.

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

- (a) In the event you refuse or fail to effect the purchase and take delivery of the asset, you shall be held liable for the breach of the covenant and shall compensate the Bank for all the actual costs incurred in the purchase of the asset, its disposal to a third party and the shortfall between the disposal price and the purchase price (if any).
- (b) In the event that you refuse or fail to perform your financial obligations to pay or such other obligations under the facility, the Bank shall be entitled to declare an event of default whereupon the facility will be terminated and you shall pay the Bank all outstanding amount under the facility.
- (c) In addition to the above, in the event that you refuse or fail to pay any amount on its due dates, you shall pay the Bank late payment charges on such amount due and unpaid at the following rates:

N	Applicable Period	Late Payment Charges Rate	On the Amount
1	Prior to maturity date	1% per annum calculated on daily basis.	On the outstanding balance, to be calculated from the date of cancellation until full settlement of the outstanding balance.
2	After maturity date.	Islamic Interbank Money Market Rate ("IIMM") per annum calculated on daily basis	On the outstanding balance, to be calculated from the date of maturity until full settlement.
3	After the Bank had obtained court judgment against the Customer.	At IIMM per annum calculated on daily basis from the date of the court judgement to the settlement date	On the outstanding balance (excluding legal costs and late payment charges as stated in the judgement), to be calculated from the date of judgement until full settlement of the judgement sum.

**Note:**

- i. The late payment charges shall not be compounded.
  - ii. Total late payment charges shall not be more than the outstanding principal.
  - iii. The late payment charges and the method of calculation thereof are subject to change as may be prescribed by Bank Negara Malaysia.
  - iv. Outstanding balance refers to outstanding principal and earned profit.
  - v. The late payment charges are cumulative subject to the applicable period.
- (d) Right to Set-off: The Bank has the right to set-off any credit balance in your account(s) maintained with the Bank to settle any payment in arrears under the Facility subject to prior notice to you.
- (e) The Bank has the right to commence legal action against you and Guarantor (if any) and/or liquidate / foreclose the collateral provided (if any) to recover any amount due but unpaid under the Facility. Such legal actions include not limited to bankruptcy/winding up proceedings (if the outstanding amount reaches a certain limit). Repercussions of being adjudged a bankrupt/wound up may result in the hearing and confiscation of your assets.
- (f) Legal action against you may affect the credit rating leading to credit being more difficult or expensive.

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

The Bank will grant *ibra'* (rebate), if any, on such amount of the balance payment remaining unpaid by you based on the following situations:

- (a) Upon full settlement of the Facility by you in the following scenarios:
  - i. Redemption or prepayment of the Facility.
  - ii. Due to restructuring exercise.
  - iii. In the case of default by the Customer.
  - iv. In the event of termination or cancellation of the Facility before the expiry date.
- *ibra'* (rebate) will be calculated based on the following formula or any other calculation method or formula as may be prescribed by Bank Negara Malaysia.
- *ibra'* (rebate) = deferred profit – early settlement charges

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<p><b>8. Do I need any takaful coverage?</b>                  Yes, Takaful coverage is required to adequately protect the asset. You may choose to take the Takaful coverage with any Takaful companies acceptable by the Bank.</p> <p>The available Takaful that is applicable for this facility:</p> <ul style="list-style-type: none"> <li>• <b>Open Cover Takaful</b>, which covers loss of, or damage to goods during shipment. It compensates the owner of merchandise for losses in excess of those which can be legally recovered from the carrier. Losses in this coverage may include fire, shipwreck, piracy, inclement weather and various other clauses.</li> </ul>				
<p><b>9. What are the major risks?</b>                  The Bank may take legal action if you do not keep up with your payment.</p>				
<p><b>10. Do I need a guarantor or collateral?</b>                  (a) A guarantor(s) is to be provided if required.                  (b) Collateral is to be provided if required and be acceptable to Shariah.  <b>Note:</b> The above requirements are depending on your creditworthiness.</p>				
<p><b>11. What do I need to do if there is change(s) to my contact details?</b>                  It is important that you inform us of any change in your contact details to ensure all correspondences reach you in a timely manner. For assistance, you may contact / notify in writing to your respective Relationship Managers.</p>				
<p><b>12. Where can I get assistance and redress?</b></p> <ul style="list-style-type: none"> <li>• If you wish to complain on the products or services provided by us, you may contact us at:</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 10px; text-align: center;">                     AmBank Islamic Contact Centre                      P.O Box No. 12617, 50784 Kuala Lumpur                      Tel: (603) 2178 8888                      Email: <a href="mailto:customer-care@ambankgroup.com">customer-care@ambankgroup.com</a> </td> <td style="width: 50%; padding: 10px; text-align: center;">                     If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK at:                       Blok D, Bank Negara Malaysia,                      Jalan Dato' Onn,                      50450 Kuala Lumpur.                      Tel: 1-300-88-5465                      Fax: 03-2174 1515                      Website: <a href="http://bnlink.bnm.gov.my">bnlink.bnm.gov.my</a> </td> </tr> </table> <ul style="list-style-type: none"> <li>• 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, financial education and debt restructuring for individuals. You may contact AKPK at:</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 100%; padding: 10px; text-align: center;">                     Level 5 &amp; 6,                      Menara Aras Raya                      (Formerly known as Menara Bumiputera Commerce)                      Jalan Raja Laut, 50350 Kuala Lumpur                      Tel: 03-2616 7766                      E-mail: <a href="mailto:enquiry@akpk.org.my">enquiry@akpk.org.my</a> </td> </tr> </table>		AmBank Islamic Contact Centre P.O Box No. 12617, 50784 Kuala Lumpur Tel: (603) 2178 8888 Email: <a href="mailto:customer-care@ambankgroup.com">customer-care@ambankgroup.com</a>	If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK at:  Blok D, Bank Negara Malaysia, Jalan Dato' Onn, 50450 Kuala Lumpur. Tel: 1-300-88-5465 Fax: 03-2174 1515 Website: <a href="http://bnlink.bnm.gov.my">bnlink.bnm.gov.my</a>	Level 5 & 6, Menara Aras Raya (Formerly known as Menara Bumiputera Commerce) Jalan Raja Laut, 50350 Kuala Lumpur Tel: 03-2616 7766 E-mail: <a href="mailto:enquiry@akpk.org.my">enquiry@akpk.org.my</a>
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<p><b>13. Where can I get further information?</b>                  For details of product features, benefits, privileges, fees and charges, you can visit <a href="http://www.ambankgroup.com">www.ambankgroup.com</a></p>				
<p><b>14. Other Islamic trade products available:</b></p> <ul style="list-style-type: none"> <li>• Trust Receipt-i</li> <li>• Accepted Bills-i</li> <li>• Invoice Financing-i</li> <li>• Foreign Currency Trade Financing-i</li> <li>• Domestic Recourse Factoring-i</li> <li>• Confidential Factoring-i</li> <li>• Sales Ledger Maintenance-i</li> <li>• Back-to-Back Factoring-i</li> </ul>	<ul style="list-style-type: none"> <li>• Outward Bills Purchased-i</li> <li>• Credit Bill Negotiation-i</li> <li>• Bank Guarantee-i</li> <li>• Letter of Credit-i</li> <li>• Standby Letter of Credit-i</li> <li>• Shipping Guarantee-i</li> <li>• Inward Bills for Collection-i</li> <li>• Outward Bills for Collection-i</li> </ul>			

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**IMPORTANT! YOUR COLLATERAL MAY BE LIQUIDATED IF YOU DO NOT KEEP UP WITH YOUR PAYMENTS.**

The information provided in this product disclosure sheet is valid from 01 September 2023 until the next update. Kindly visit [www.ambankgroup.com](http://www.ambankgroup.com) for the latest information.

All calculations and information above are for illustration purpose only. Terms and conditions apply.

*Disclaimer: The actual amount of financing to be provided by AmBank Islamic is dependent upon your credit evaluation by AmBank Islamic. The transmission of this Product Disclosure Sheet to you does not create any obligation by AmBank Islamic to grant you any facilities.*

I /We duly acknowledge that the key contract terms and my/our financial obligations under this financial product had been adequately explained to me by the authorised representative of AmBank Islamic Berhad.

\_\_\_\_\_  
Name:

NRIC No:

Date:

Or

For and on behalf

Registration No:

\_\_\_\_\_  
(Authorised signatory/ Director)

Date: