

PRODUCT DISCLOSURE SHEET

AmBank Islamic
Date: 28-Feb-2026

Dear Customer,

This Product Disclosure Sheet ("PDS") is designed to provide you with key information on your **Documentary Credit-i/Letter of Credit-i** ("LC-i"). Other customers have read this PDS and found it helpful; you should read it too.

1. WHAT IS DOCUMENTARY CREDIT-i/LETTER OF CREDIT-i?

Documentary Credit-i/Letter of Credit-i

- LC-i is a written undertaking by the Issuing Bank at the request of the Buyer/Applicant ("Customer"), to pay the Seller ("Beneficiary") at sight or at a determinable future date (usance) up to a stated sum of amount, within a prescribed time limit upon presentation of stipulated documents that conform to the terms and conditions of the LC-i.
- LC-i is governed by the *International Chamber of Commerce* ("ICC") *Uniform Rules for Documentary Credits* ("UCP").

Applicable Shariah Contract

- The Shariah concept applicable is *Wakalah* (agency) where AmBank Islamic ("the Bank") is acting as an agent for the Buyer to issue LC-i to Beneficiary.
- *Wakalah* refers to a contract in which a party mandates another party as an agent to perform a particular task with or without imposition of a fee.

2. KNOW YOUR OBLIGATIONS

What I do get from this product:

- a) Issuance of LC-i is subject to Customer's LC-i limit.
- b) LC-i facility is offered in Malaysian Ringgit ("MYR") or foreign currencies acceptable by the Bank.
- c) On sight payment basis or deferred payment basis.
- d) Payment to Beneficiary or acceptance of LC-i is only upon presentation of complying documents.
- e) You may arrange for financing under Accepted Bills-i ("AB-i") Import/Purchase, Trust Receipt-i ("TR-i"), Invoice Financing-i ("IF-i"), or Foreign Currency Trade Financing-i ("FCTF-i") (*subject to Customer's Multi Trade Financing-i limit*) to pay the Beneficiary.

It is your responsibility to:



Read the Letter of Offer ("LO") and understand the terms before you sign it.



Pay your **LC-i amount on time** and in full when required.



Make sure you **can afford to pay a higher amount** in case the Bank pays the LC-i on your behalf.



Contact us immediately should you find yourself **unable to pay** your liability promptly.

For this service, you have to pay the following charges (where applicable).

No.	Description	Pricing / Rate
1	Opening Commission	As per LO
2	LC-i amendment - Extension of expiry date / increase in amount	The rate of Opening Commission as per LO per month or part thereof for the extended period/incremental value. Min: RM50 <u>Note:</u> <i>If amendment involves incremental in the LC-i amount, commission will be calculated on the amended amount from the original issuance date, less commission already collected</i>
3	Acceptance commission on Usance Credits	The rate of Opening Commission as per LO per month or part thereof. Min: RM50.
4	Import Bills under LC-i	<u>Drawing against expired LC-i</u> <ul style="list-style-type: none"> • The rate of Opening Commission as per LO per month or part thereof from LC-i expiry date to LC-i drawing date. Min: RM100 <u>Drawing against excess of LC-i amount (will only be charged upon customer accepting the discrepancy)</u> <ul style="list-style-type: none"> • The rate of Opening Commission as per LO per month or part thereof from LC-i issuance date to drawing date based on the excess amount. Min: RM100

Refer to our standard tariff / charges on website here for more details: -

<https://www.ambankgroup.com/products-and-services/islamic/islamic-banking/product-and-services/business-and-institutional/trade-services/tariff-charges>

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 imposed by the Government of Malaysia

Note: Further terms shall be stipulated in the LO / Facility Agreement issued by the Bank

3. KNOW YOUR RISK

What happens if you ignore your obligations?

1. Unpaid LC-i will be **settled through Inward Bill Advance ("IBA")** or other trade financing options offered by the Bank.
2. If **funds are insufficient** to settle presentation against LC-i, the Bank will **charge the Islamic Interbank Money Market ("IIMM")** rate on overdue amounts until full payment.
3. The Bank will **suspend your access** to any approved credit facilities.
4. We may **foreclose your property** or **take legal action** against you.
5. Legal action against you **may affect your credit rating, making credit more difficult** or expensive to obtain.
6. **Right to Set-off:** The Bank has the right to utilise any credit balance in your account(s) maintained with the Bank to settle any payment in arrears under the Facility subject to seven (7) calendar days' notice to you.

4. OTHER KEY TERMS

1. Bank **deals with documents only** and will neither verify the documents nor the goods.
2. **Payment** to Beneficiary or **acceptance** of LC-i is **only upon presentation of complying documents**, with no verification of quality and quantity of goods.
3. **Ensure that the Beneficiary is genuine** and the underlying transaction is relevant to your nature of business and is Shariah-compliant.
4. For international trade transaction, **currency exchange rate may differ between the point of contracting the sale and the point of payment** for the contract, which may result in loss due to currency fluctuation.

If you have any questions about our **Documentary Credit-i/Letter of Credit-i**, you can:



Call us at
+603 2178 8888
(Contact Centre)



Visit us at
www.ambankgroup.com



Email us at
customercare@ambankgroup.com



Scan the QR code