


PRODUCT DISCLOSURE SHEET

<p>PRODUCT DISCLOSURE SHEET</p> <p>(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)</p>	<p>HSBC Bank Malaysia Berhad (HSBC)</p>  <p>SHIPPING GUARANTEE</p> <p><Date></p>								
<p>1. What is this product about?</p> <p>Shipping Guarantees (SGs) are issued to enable our customers (buyers) to obtain release of goods from the carrier without the submission of the original Bills of Lading. In other words, SGs enable the customers to take delivery of goods before the arrival of the related shipping documents. As goods may arrive before shipping documents are received, a Shipping Guarantee (SG) allows the customers to take control of the goods without presenting an original copy of transport documents; thereby avoiding additional storage fees or demurrage charges.</p>									
<p>2. What do I get from this product?</p> <p>With a SG, your business/company may: -</p> <ul style="list-style-type: none"> • Receive goods before effecting payment • Reduce unnecessary delays to the day-to-day running of your business • Defer payment until your supplier's documents have been presented • Eliminate expensive storage/demurrage charges <p><u>Standard Cut-Off Times</u></p> <p>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: -</p> <ul style="list-style-type: none"> • Cross Border Payments - 12.00 p.m. (exclude AUD & JPY) • Ringgit Payments (Rentas) – 11.00 a.m. <p>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.</p>									
<p>3. What are my obligations?</p> <ul style="list-style-type: none"> • Your business/company will need to pay any commission/interest charged as applicable. • Your business/company will need to ensure that the SG is returned by the shipping company upon their receipt of the original documents; failing which, an additional charge will be levied on you if the SG is not released by the shipping company within 3 calendar months from the date of issuance. 									
<p>4. What are the fees and charges I have to pay?</p> <p>Key charges include: -</p> <table border="1" data-bbox="240 1465 1383 1837"> <thead> <tr> <th>Key Charges</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Issuance/Endorsement Commission</td> <td>0.1% of invoice value of the goods (min RM100)</td> </tr> <tr> <td>Unredeemed Shipping Guarantee</td> <td>0.5% p.a. of invoice value if SG is not released within 3 calendar months from the date of issue (min. RM100)</td> </tr> <tr> <td>Other charges</td> <td>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 www.hsbc.com.my) shall prevail over the fees and charges stated in this document.</td> </tr> </tbody> </table>		Key Charges	Description	Issuance/Endorsement Commission	0.1% of invoice value of the goods (min RM100)	Unredeemed Shipping Guarantee	0.5% p.a. of invoice value if SG is not released within 3 calendar months from the date of issue (min. RM100)	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 www.hsbc.com.my) shall prevail over the fees and charges stated in this document.
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<p>5. What if I fail to fulfill my obligations?</p> <p>Right of Recourse</p> <p>The bank holds the right of recourse to your business/company in the event the shipping company claims on the SG.</p>									

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6. What if I fully settle the loan before its maturity?					
Not applicable as this is not a loan. However, should your business requires working capital financing, you may contact your Relationship Manager or Trade Representative for further discussion on appropriate financing solutions that caters to your company's best interest					
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?					
In the event the shipping company loses the SG, they will then need to provide a discharge letter to the Bank in order to release your business/company from your financial obligation with the Bank.					
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?					
<ul style="list-style-type: none"> Should you require additional information about taking up Shipping Guarantees, please refer to the <i>bankinginfo</i> booklet on 'Small and Medium Enterprises - Financing Products for Your Business – Trade Financing – Shipping Guarantee (SG)', available at www.bankinginfo.com.my. Kindly take note that the information available in the <i>bankinginfo</i> 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?					
<ul style="list-style-type: none"> 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: - 					
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Facsimile: +603-88942811 Operating Hours: (9.00am to 4.00pm–Monday to Friday) E-mail: complaints@hsbc.com.my	Operating Hours: 9.00am to 5.00pm–Monday to Friday General Number: 603-26988044/2698 9044/9179 2888
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12. Other trade loans available?

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

- Receivables Financing
- Supply Chain Financing
- Pre/Post-Shipment Buyer Loans (including Bankers Acceptance)
- Pre/Post-Shipment Seller Loans (including Bankers Acceptance)
- Documentary Credit
- 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 information provided in this disclosure sheet is valid as at or until dd/mm/yy.