PRODUCT DISCLOSURE SHEET

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| **PRODUCT DISCLOSURE SHEET**  (Read this Product Disclosure Sheet before you decide to take up the standby documentary credit-i product by HSBC Amanah Malaysia Berhad (“**Bank**”) (“**SDC-i**”). Be sure to also read the general terms and conditions.) | **HSBC Amanah Malaysia Berhad (Bank) Standby Documentary Credit-i (SDC-i)** <Date> | |
| 1. **What is this product about?** | | |
| The SDC-i is a type of documentary credit-i that is issued to cover non-performance by the customer where payment is made against presentation of documents. SDC-i can be financial related or transaction related.  For urgent SDC-i issuances, customers with or without a Trade facility may apply for this service by providing Bank with 100% cash cover/cash margin (Margin Payments) in the currency of the SDC-i. All rights, title and profit in the Margin Payments will be vested in the Bank and any un-utilised amount of the Margin Payments shall be refunded to our customer after the SDC-i has been discharged and/or repaid in full. This Margin Payments service is known as “SpeedyLC” and same day issuance (or 24 hour) service is available subject to the SDC-i application meeting the required terms and conditions such as submission of a complete set of documents and appropriate company mandate is in place for the customer’s authorised signatories to place the Margin Payments for the service. For our customers’ convenience, applications can be submitted via HSBCnet Internet Trade Services or physical application forms by uploading / attaching the Margin Payment Form to the SDC-i template/application form. Customers are advised to contact our Client Service Team for further details. | | |
| 1. **What is the Shariah concept applicable?** | | |
| The SDC-i is provided under the Shariah principle of Kafalah (Guarantee). Under this contract, the Bank becomes the guarantor of the customer’s performance of its obligations under an underlying contract by the issuance of the SDC-i in favour of the beneficiary. In the event of non-performance by the customer, the Bank will pay the beneficiary upon presentation of the required documents in accordance with the terms and conditions of the SDC-i, as proof of non­performance of the contract by the customer.  The underlying contract giving rise to the Customer’s obligations should not bear any elements that contravene Shariah principles. | | |
| 1. **What do I get from this product?** | | |
| * Allows your company/business to expand into new markets * Provides security to your counterparty by a reputable bank * Facilitate open account trade business for your company * Flexibility to participate in any kind of legal contract relating to Shariah-compliant business activities internationally or locally * Competitive commission rate on the facility value | | |
| 1. **What are my obligations?** | | |
| Your business/company will need to pay us the full SDC-i amount should there be a claim from the beneficiary, in accordance to the terms and conditions of the Facility Offer Letter issued for the SDC-i facility. | | |
| 1. **What are the fees and charges I have to pay?** | | |
| *Note: The fees and charges for the items below are exclusive of any statutory – tax (“Tax”). Where Tax is chargeable on any of these items, the applicable Tax sum shall be imposed in addition to such fees and charges, and shall be payable by the customer.*  Please refer to our schedule of tariff and charges at [www.hsbcamanah.com.my](http://www.hsbcamanah.com.my/) for full list of charges. Key charges are as follows | | |
| **Opening Commission\*\***   * 0.1% per month\* (or part of month) on the credit amount * Min RM200 * For account of beneficiary, charge in USD (min USD75)   **Handling Fee**   * Min RM150 (Not applicable for SME customers)   **Cable Cost per DC-i (**issued under SWIFT)   * Local – RM50 flat * Overseas – RM100 flat   **Marginal Payment handling fee for non-trade customer**   * Min RM150   ***Remarks:*** *(\*) Opening commission is calculated at a prescribed rate from the date of SDC-i issuance and payable in full at time to of establishment of all SDC-is. If there is any subsequent extension the expiry date / increase in the amount of the SDC-I, additional commission will be imposed based on the external period or the increased SDC-I amount and will be collected when the SC-I is extended or the amount increased.*  *(\*\*) Applicable for SME customers only. Different rates as prescribed by the Bank are applicable for other customers.* | | |
| 1. **What if I fail to fulfill my obligations?** | | |
| If the guarantee amount has to be recovered by any process of law, all fees and expenses in connection with such recovery, including the Bank’s solicitor, fees and cost, shall be borne by the customer. | | |
| 1. **Do I need any takaful / insurance coverage?** | | |
| Whilst you do not specifically need to take up any takaful / insurance coverage for this product, you may wish to consider taking up appropriate coverage to protect your goods / business such as Marine Cargo Insurance, Fire Commercial or business protection package. Please contact your Relationship Manager for further details. | | |
| 1. **Do I need a guarantor or collateral?** | | |
| On a case to case basis depending on your payment capabilities and other credit considerations. | | |
| 1. **What are the major risks?** | | |
| Customers may be subject to the risk of fraudulent claims or frivolous claims by the beneficiary as clauses in the SDC-i may enable a claim from the beneficiary to be undisputed. | | |
| 1. **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. | | |
| 1. **Where can I get further information?** | | |
| 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](mailto:gtrf.client.services.my@hsbc.com.my) | | |
| **12. Where can I get assistance and redress?** | |
| * If you have difficulties in making payments, you should contact us earliest possible to discuss payment alternatives. You may contact us at:   [RM to fill up contact details: name, address, contact number and e-mail address]   * If you wish to complain on the products or services provided by us, you may contact us at:   Customer Experience Team  HSBC Bank Malaysia Berhad  2 Leboh Ampang  50100 Kuala Lumpur  Malaysia  Fax: +603-2179 1111 (9.00AM to 4.00PM – Monday to Friday)  E-mail: [complaints@hsbc.com.my](mailto:complaints@hsbc.com.my) | |
| * If your query or complain is not satisfactorily resolved by us, you may contact Bank Negara Malaysia LINK or TELELINK at:   Bank Negara Malaysia  P.O. Box 10922  50929 Kuala Lumpur.  Tel: 1-300-88-5465 (1-300-88-LINK)  (Overseas: 603-2174-1717)  Fax: 603-21741515   * E-mail : [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)   SMS: 15888  Operating Hours: 9:00AM to 5:00PM – Monday to Friday | |
| **13. Other trade financing available?** | | |
| Other trade financing available are   * Trust Receipt-i * Bills Purchased-i * Accepted Bills-i (Import and Export) * Clean Import Financing-i * Clean Export Financing-i   Please also contact your Relationship Manager or Trade Representative for details of other Non-Financing Trade Services | | |

The information in this disclosure sheet is valid as at dd/mm/yy.