AmBank Islamic

PRODUCT DISCLOSURE SHEET

Please be reminded to read and understand this Product Disclosure Sheet before you decide to take up Factoring-i. Be sure to also read and understand the final terms and conditions which will be documented in the Letter of Offer ("LO") and Factoring-i Agreement. 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 Factoring-i Sales Ledger Maintenance-i ("SLM-i") Date: 01 September 2023

1. What is this product about?
SLM-i is a type of Factoring-i which a business entity ("Client") appoints third party financial institution or factoring house ("Factor") as its agent to collect payment from the Customer and subsequently factors its invoices to the Factor for collection. For SLM-i, there is no involvement of financing. The Customer is notified of Factoring-i arrangement.

2. What are the Shariah concepts applicable?
The Shariah concept applicable for SLM-i is *Wakalah*. *Wakalah* (Agency Contract) is a contract in which a party mandates another party as his agent to perform a particular task in matters that may be delegated with or without imposition of a fee.

3. What does Client get from this product?
(a) Currency: Malaysia Ringgit
(b) AmBank Islamic provides the Client services of maintenance the sales ledger and collection services.
(c) AmBank Islamic manages, monitors and collects the receivables on behalf of the Client.
(d) The Client is provided with monthly statement which display outstanding collection amount.

4. What are Client's roles and obligations?
(a) You are required to notify Customer on the Factoring-i arrangement.
(b) You are required to ensure sufficient funds in your current account with us to debit the applicable fees and charges.
(c) You are required to ensure your assets/goods in the invoices are Shariah-compliant.
(d) You are required to ensure your Factoring-i limit is active and adequate for utilisation.

5. What are the fees and charges Client has to pay?

No.	Type of Fees and Charges	Tariff
1	Stamp Duty	As per Stamp Duty Act 1949 (Revised 1989)
2	Factoring Charge Rate	1.0%* of the invoice value
3	Disbursement to a third party	RM50* per transaction
4	Request for statement by Client / Customer	RM20* per statement

*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.

6. What if Client fails to fulfill its obligations?
Right to set-off: AmBank Islamic has the right to utilise any credit balance in your account(s) maintained with us to settle outstanding amount under any facilities with AmBank Islamic-i. However, the set-off amount shall be notified to you prior to the set-off being effected.

7. What are the major risks?
AmBank Islamic is not liable for non-payment/unpaid invoices bill by the Customer. AmBank Islamic only provide collection services to the Client.

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8.	**What does Client need to do if there is change(s) to contact details?**
	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 Manager.

9. Where can Client get assistance and redress?

- If you wish to complain on the products or services provided by us, you may contact us at:

  AmBank Islamic Contact Centre
  P.O Box No. 12617, 50784 Kuala Lumpur
  Tel: (603) 2178 8888
  Email: customercare@ambankgroup.com

- 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: bnmlink.bnm.gov.my

- 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:

  Level 5 & 6,
  Menara Aras Raya
  (Formerly known as Menara Bumiputera Commerce)
  Jalan Raja Laut, 50350 Kuala Lumpur
  Tel: 03-2616 7766
  E-mail: enquiry@akpk.org.my

10. Where can Client get further information?

For details of benefits, fees and charges, you can visit www.ambankgroup.com

11. Other Islamic trade products available:

- Trust Receipt-i
- Accepted Bills-i
- Invoice Financing-i
- Foreign Currency Trade Financing-i
- Domestic Recourse Factoring-i
- Confidential Factoring-i
- Back to Back Factoring-i
- Export Credit Refinancing-i

- Outward Bills Purchased-i
- Credit Bills Negotiation-i
- Letter of Credit-i
- Bank Guarantee-i
- Standby Letter of Credit-i
- Shipping Guarantee-i
- Inward Bills for Collection-i
- Outward Bills for Collection-i

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 <u>01 September 2023</u> until the next update. Kindly visit www.ambankgroup.com for the latest information.

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

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

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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: