

PRODUCT DISCLOSURE SHEET

(Read this Product Disclosure Sheet before you decide to take out the Portfolio Financing (PF) Facility. Be sure to also read the terms in the letter of offer. Seek clarification from us if you do not understand any part of this document or the general terms)

PRODUCT NAME:
PORTFOLIO FINANCING (PF) FACILITY

DATE: _____
 [The date issued to customer to be filled in by Sales Personnel]

1. WHAT IS THIS PRODUCT ABOUT?

PF is a short term revolving credit Facility secured by way of a charge or pledge of eligible investment assets (“Facility”) with Malayan Banking Berhad (referred to as “Bank” or “us” or “we” or “our”). The Facility is offered to our eligible customers to be applied towards investments with the Bank and available in Malaysia Ringgit (MYR) and United State Dollar (USD) currency.

2. WHAT DO I GET FROM THIS PRODUCT?

Item	Description
Facility Type	Short Term Revolving Credit in MYR and USD
Facility Amount	Range from RM1 million to RM10 million (or its equivalent in foreign currency). The final facility amount is subject to the Bank’s approval.
Payment	Payable at the expiry of the Interest Period, or upon demand.
Interest Rate	The Cost of funds (“COF”) plus fixed percentage (“Spread”) per annum (p.a.) COF is subject to changes. The applicable COF shall be determined at the time of each drawdown based on the elected drawdown currency and Interest Period. The total payment amounts will vary depending on COF changes with seven (7) calendar days’ written notice to be provided to you before the effective date of the implementation.
Interest Period	Up to twelve (12) months or for such other period as may be agreed between you and the Bank. Interest accrues daily and is payable in arrears at the end of the Interest Period for each drawdown provided that the last Interest Period shall not exceed the expiry of the Facility Tenure.
Tenure	The Facility is made available and repayable at the expiry of Interest Period, or upon demand by the Bank. The Facility may be renewed by the Bank at its discretion.
Drawdown Currency	<ul style="list-style-type: none"> • For Facility in MYR, drawdown is in MYR only. • For Facility in USD, drawdown can be in G10 currencies namely USD, SGD, AUD, NZD, GBP, EUR, HKD, JPY, CAD, CHF.
Drawing Limit	The Drawing Limit shall be based on the aggregate Loan-To-Value of Eligible Securities pledged to the Bank. For Facility denominated in non-MYR, a conversion into other currencies shall be based on Drawdown Exchange Rate which is the rate estimated by the Bank based on the average of Maybank’s prevailing buying and selling Telegraphic Transfer (TT) foreign exchange rate.
Loan -To-Value (“LTV”)	LTV is granted based on the Bank’s assigned valuation for each of the Eligible Security. The Bank reserves the right to review and vary the LTV at the Bank’s discretion from time to time (with prior written notice to you), which may vary the Drawing Limit.
Eligible Securities	Cash, Fixed Income (Bonds/ Sukuk), Funds (Unit Trust/ Islamic Unit Trust)

3. WHAT OTHER CHARGES DO I HAVE TO PAY?

Stamp Duty	As per in the Stamp Duty Act 1949 (Revised 1989).
Tax	Subject to all applicable taxes and levies now or thereafter imposed by the laws.
Legal Fees	As informed by the Bank, where the borrower and/or a security party is non-resident, in which case, a solicitor from the bank's panel shall be appointed at the borrower's costs for the preparation of all documentation and perfection of the Bank's security documents.
Commitment Fees	1% p.a. on the un-utilised portion of the Facility Amount.
Other Fees	Where applicable e.g. CDS account opening fee, CDS share transfer fee, handling right issue fee, custody fee and any other costs and expenses related to the Eligible Securities.

If the Bank changes the fees and charges, at least twenty-one (21) calendar days' prior written notice will be given to you before the effective date of the implementation.

4. WHAT ARE MY OBLIGATIONS?

- i. You are required to sign a Letter of Offer which will contain specific terms offered to you including amount and terms of financing.
- ii. To service the principal and interest for the Facility on a timely basis and to ensure that outstanding balance of the Facility does not exceed the Drawing Limit at all times.
- iii. To maintain the level of security required for the Facility as determined by the Bank at its discretion from time to time (the "**Required Collateral Level**"). In the event of a shortfall in respect of the Required Collateral Level (the "**Shortfall**"), the Bank shall notify you either verbally, electronically or in writing at its discretion of the Shortfall. When the Shortfall notice is made by the Bank, you shall remedy the Shortfall within the settlement period stipulated in our notice to you.
- iv. You shall remedy the Shortfall by way of:
 - (a) providing additional Eligible Security(ies) acceptable to the Bank;
 - (b) reducing the outstanding balance (including all outstanding accrued interest and charges);
 - (c) selling down Eligible Security(ies) pledged to the Bank and/or such other securities provided to the Bank; and/or
 - (d) such other actions as may be directed by the Bank.
- v. If the Shortfall is not remedied within the stipulated settlement period, the Bank may realise (force-sell) the Eligible Security(ies) pledged to the Bank and/or such other securities provided to the Bank and apply the proceeds to reduce the amount outstanding under the Facility.
- vi. To settle the Facility in full when the notice is served upon the circumstances stipulated at the Bank's discretion or upon cancellation and or termination of the Facility.
- vii. To comply with Bank Negara Malaysia's **Foreign Exchange Policy Notices** as administered by Bank Negara Malaysia under the Financial Services Act 2013, (as may be amended or updated from time to time by the Bank Negara Malaysia) in relation to foreign currency financings, investments in foreign currency assets and/or investments abroad. For an individual customer, if your foreign borrowing or investment is more than RM10 mil equivalent in aggregate or such other requirement as may be imposed by the regulators, you are required to obtain prior approval from the Bank Negara Malaysia pursuant to the Foreign Exchange Policy Notices, you are responsible to obtain exchange control approval or complete any registration (if applicable) as required by Bank Negara Malaysia in respect of the Facility and the Security Documents.

viii. **Illustration of interest computation**

Please be advised that the figures below are used for illustration purposes only.

Facility Amount	: 5,000,000.00
Interest Rate	: 3.00% p.a.
Loan Outstanding	: 2,000,000.00
Interest Period	: 3 months
Total Interest due at the end of the Interest Period	: $Loan\ Outstanding \times Interest\ Rate\ (\%) \times Interest\ Period = 2,000,000 \times 3.00\% \text{ p.a.} \times 90\ \text{days} / 360\ \text{days} = 15,000$

5. WHAT IF I FAIL TO FULFILL MY OBLIGATIONS?

<ul style="list-style-type: none"> ▪ Late Payment Charge (LPC) 	<p>We have the right to be compensated on late and default payment based on the following mechanism:</p> <p>A default interest of 1.00% above the prevailing interest rate will be charged on the amount due but remains unpaid under the Facility and accrued on a daily basis or by any other method approved by Bank Negara Malaysia (BNM).</p> <p>The LPC shall be applied to the judgement sum and shall be payable from the date of judgement is made until the date of actual payment.</p>
<ul style="list-style-type: none"> ▪ Default Rate 	<p>In the event you default for three (3) consecutive months in any due payment or your account is in excess of the limit for three (3) months under the Facility, we will be entitled to increase the Interest Rate to Standardised Base Rate (SBR) + 6.15% p.a. (“the Default Rate”) to be charged on the amount outstanding, or such other interest rates as we and/or Bank Negara Malaysia may prescribe from time to time.</p> <p>The Default Rate shall continue to apply unless you reduce your payment in arrears to less than three (3) months whereby the contracted interest rate will be reinstated. We will give you written notice of at least seven (7) calendar days prior to making any changes to the Default Rate or such other rates.</p>
<ul style="list-style-type: none"> ▪ Right to set-off 	<p>We have the right to set-off any credit balance in your account(s) maintained with us against any outstanding balance of this Facility with seven (7) calendar days’ prior written notice to you. We may concurrently earmark the available funds in your accounts (whether jointly or otherwise) against the outstanding balance of the Facility upon the issuance of the notice to you.</p>
<ul style="list-style-type: none"> ▪ Right to sell-off 	<p>We have the right without terminating the Facility to force sell/liquidate any or all of the collaterals pledged to the Bank to reduce/settle the outstanding indebtedness of the Facility. In the event there is still an outstanding amount upon complete liquidation of all collaterals, you are required to make payment to settle the outstanding amount/indebtedness, failing which legal action may be taken against you.</p>
<ul style="list-style-type: none"> ▪ Termination 	<p>In the event of misrepresentation and/or breach of the terms of the Facility or any applicable laws, rules, and regulations by you, we have the right to terminate the Facility with prior written notice to you.</p>
<ul style="list-style-type: none"> ▪ Legal action 	<p>i. Legal action may be taken against you due to the following events:</p> <ul style="list-style-type: none"> • Your failure to make any payment due and payable to us. • Your failure to respond to reminder notices. • Your failure to remedy any Shortfall. <p>ii. Any legal action filed against you may affect your credit rating leading to credit being more difficult or expensive to you in the future.</p> <p>iii. Notice will be issued to you before any legal action is taken by us.</p>

6. WHAT IF I FULLY SETTLE THE LOAN BEFORE ITS DUE DATE?

- i. You may make full settlement on your loan at any time subject to the terms and conditions of the Facility.
- ii. Cancellation in full of the Facility is allowed upon giving the Bank not less than one (1) month prior written notice and if such cancellation is made within one (1) year from the date of the initial disbursement of the Facility, a cancellation fee of 1.50% flat will be charged on the amount outstanding under the Facility at the date of the cancellation.
- iii. Should the prepayment (whether voluntary or following demand from the Bank) or cancellation of the Facility be made at any time other than on an elected interest payment date, a break-funding cost to be determined by the Bank on the amount prepaid or cancelled, will be charged.

7. WHAT ARE THE MAJOR RISK?

- i. **Interest Rate Movement**
The interest rate in respect of the Facility is variable and may be varied if there are any changes to the reference rates. An increase in interest rate may result in higher interest payments.
- ii. **Market Risk (not applicable to cash and fixed deposits)**
The type of collateral(s) pledged may be subject to market risk fluctuation. A change in the acceptability of a collateral, decrease in the market value of the collaterals and/or Bank's assigned valuation of the collateral(s) may result in a Shortfall.
- iii. **Foreign Currency Risk**
The amount outstanding under the Facility and the market value of the collateral(s) may fluctuate due to foreign exchange movements. An unfavorable foreign exchange movement (applicable when there is a currency mismatch between the outstanding Facility and the collateral(s)) may result in a Shortfall.
- iv. **Amplified losses**
Losses to your financial position and investment portfolio may be amplified for leveraged reinvestments due to the highlighted risks above .

8. DO I NEED TO PROVIDE A GUARANTOR?

No guarantor is required.

9. WHAT DO I NEED TO DO IF THERE ARE CHANGES TO MY CONTACT DETAILS?

It is important for you to inform us of any changes in your contact details to ensure that all correspondences reach you in a timely manner. To update your correspondence details, please visit any Maybank branches convenient to you.

10. WHERE CAN I GET ASSISTANCE AND ADVICE?

- If you have difficulty in paying the monthly instalment you should contact us earliest possible to discuss payment alternatives. You may contact us at nearest Maybank branch.

Maybank
Branch : _____
Address : _____
Tel/Fax : _____ Email : _____

- 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 counseling and debt restructuring for individuals. You can contact AKPK at:

AKPK Headquarter
Tingkat 5 dan 6
Menara Bumiputra Commerce
Jalan Raja Laut
50350 Kuala Lumpur
Tel: 03-2616 7766
Website: www.akpk.org.my

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

Maybank
Customer Feedback Management
28th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Malaysia
Tel No: 03-20748075
Website: cfm@maybank.com.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia eLINK (Web Form) or BNMTELELINK at:

Block D, Bank Negara Malaysia
Jalan Dato' Onn
50480 Kuala Lumpur
Tel: 1-300-88-5465
Fax: 03-2174 1515
Website: <https://telelink.bnm.gov.my/>

11. WHERE CAN I GET FURTHER INFORMATION?

You may liaise with your Relationship Manager, Premier Wealth for further information or contact us at Tel: 03-20748200.

12. WHAT ARE OTHER PACKAGES AVAILABLE?

Mortgage, Cash Line Facility (Overdraft), Share Margin Financing and ASB Financing (Bumiputera Only).

IMPORTANT NOTE:

WE HAVE THE RIGHT TO LIQUIDATE THE COLLATERAL PLEDGED TO US IN THE EVENT OF DEFAULT AND/OR SHORTFALL. SUBSEQUENTLY, LEGAL ACTION MAY BE TAKEN AGAINST YOU FOR THE RECOVERY OF THE SHORTFALL/ANY INDEBTEDNESS UNDER THE FACILITY UPON LIQUIDATION OF COLLATERALS.

DISCLAIMER

The information, terms and conditions in this product disclosure sheet are indicative and are not binding on us. The final terms and conditions are stipulated in the letter of offer after credit assessment and final approval by us.

The information provided in this disclosure sheet is valid as at July 2023 and will be valid until issue of any revision.

Declaration: I hereby declare that I have received, read and understood the content of this Product Disclosure Sheet.

Main Applicant**Joint Applicant**

Signature:

Signature:

Name:

Name:

ID No:

ID No: