

PRODUCT DISCLOSURE SHEET (Versi Bahasa Malaysia)
Business and Corporate Banking-i

This Product Disclosure Sheet (PDS) contains general information about the product, which is subject to change at the Bank's discretion.

Product: Accepted Bills-i (AB-i) (Purchase)
Date: / /
1. What is Accepted Bills-i (AB-i) (Purchase)?

AB-i (Purchase) is an Islamic trade financing facility based on the Shariah contract, Murabahah Purchase Orderer (MPO). Murabahah refers to a sale and purchase of an asset where the acquisition cost (Principal) and the mark-up (profit) are disclosed to the Purchaser. MPO refers to an arrangement whereby the Purchase Orderer (Customer) promises (Wa`d) to purchase an identified and specified asset from a Seller (the Bank) on Murabahah terms upon the latter's acquisition of the asset. It is used to finance the customer's trade related purchases evidenced by proper and adequate documentation. The actual sale price, financing tenure and maturity date are to be determined at the point of each disbursement/utilisation. Purchase of services and fixed assets are not eligible to be financed under AB-i (Purchase) financing.

Benefits – What do you get from this product?

- Profit Rate (PR) is pegged against the rate of AB-i (purchase) Islamic Cost of Funding to be quoted by the Bank at the point of utilisation + Accepted Commission.
- Multiple disbursements/utilisation within the approved Facility Limit.
- Financing tenure differs for each utilisation. Minimum period of financing is twenty-one (21) days and the maximum period must not exceed the approved financing tenure subject to a maximum period of three hundred and sixty-five (365) days.
- The minimum financing amount is set at RM50,000 and in multiples of RM1,000.

2. Know Your Obligations
Pricing

- For every utilisation of AB-i Purchase facility, you will have to pay bullet payment of profit and principal (at maturity).
- Sale Price is to be fully paid at maturity of every utilization. Profit Rate is fixed upfront for each utilisation based on AB-i Islamic Cost of Fund ("ICOF") + Accepted Commission.

Profit Rate	AB-i Islamic Cost of Fund (ICOF) + Acceptance Commission (spread) (%) per annum (p.a)
Acceptance Commission	Rate as specified in the Letter of Offer; Minimum RM50.00. No Maximum

- Sale Price which is inclusive of profit charges is fixed at point of each disbursement calculated based on prevailing Profit Rate illustrated as follow:

i) Computation of Financing Value (Selling Price)

$$FV = IV \left(1 + \frac{r \times t}{36500} \right)$$

Where:

FV	Financing Value (Selling Price)
IV	Invoice Value (Cost Price)
r	Profit per annum
t	Financing Tenure

Illustration only

Invoice Value (Cost Price)	RM1,000,000.00
Tenure	90 days
Profit Rate	3.0% p.a.
Accepted Commission Rate	0.5% p.a.
Financing Value (Selling Price)	= RM1,000,000.00 x (1 + [(3.5% x 90)/36500]) = RM 1,008,630.14
Accepted Commission*	= RM1,000,000.00 x 0.5% x 90/365 = RM1,232.88

* Accepted Commission is charged upfront. Hence, it is not a part of the Selling Price.

You also have to pay other fees and charges, where applicable, per our full list of fees and charges published at:
<https://www.hlisb.com.my/en/personal-i/help-support/fees-and-charges/trade-service-i.html>



It is your responsibility to:



Read and understand the pricing and the terms and conditions in the letter of offer and/or facility agreement and/or application form before taking up and/or utilizing the facility.



Authorize the Bank to debit your account for all fees, compensation charges, profit, acceptance commission, costs or expenses in respect of the disbursement and payment of the AB-i (Purchase).



Avoid financing the same trade transaction using other facilities with our Bank or other banks.



Ensure all documents presented to the Bank pertaining to the financing are genuine and relate to actual trade transactions.



Certify that the goods and affiliated parties / counterparties pertaining to the trade transactions are not sanctioned/prohibited/restricted and in line with your company's nature of business.



Inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

3. Know Your Risks

What will happen if you ignore your obligations?

1. If payment is not made on the maturity date, the AB-i (Purchase) will be classified as a past due bill.
 2. Compensation charges:
 - i. If you default your payment after the expiry of Facility Tenure, you are to pay compensation charges = BNM's prevailing daily overnight Islamic Interbank Money Market ("IIMM") rate on the outstanding balance (Outstanding Principal plus accrued profit).
 - ii. If you default your payment, causing the Facility to be terminated and brought to court, the compensation charges will be = Up to 1% p.a on the outstanding balance (outstanding Principal plus accrued profit).
 - iii. For default payment after court judgement, the compensation charges = BNM's prevailing daily overnight IIMM rate on the basic judgement sum.
- (Note: Compensation charges is computed on daily basis & shall not be added to the outstanding Principal & shall not be more than the outstanding Principal. The computation method and rates are subject to changes as may be prescribed by BNM.)
3. The Bank may set-off any credit balance in your deposit account maintained with the Bank against any of your outstanding balance, subject to the issuance of seven (7) days' prior written notice by the Bank to you.
 4. The AB-i (Purchase) facility and other trade facilities will be suspended immediately once the bill becomes past due.
 5. Right to commence recovery or legal action:
 - i. Legal action will be taken if you fail to respond to reminder notices. Your asset may be foreclosed, and you will have to bear all costs. You are also responsible for settling any shortfall after your asset is sold.
 - ii. The Bank has the right to commence recovery activities (including engaging third-party debt collection agencies), foreclosure, and bankruptcy proceedings.
 - iii. Legal action against you may affect your credit rating, leading to credit being more difficult or expensive to obtain.

What is the major risk?

You may be exposed to foreign exchange fluctuation risk when your receivables are in foreign currencies, in view that AB-i (Purchase) financing is denominated in RM. This can be mitigated by Foreign Exchange solutions offered by our Bank.

4. Other Key Terms

1. The Bank will grant you rebate (Ibra') at the point of early settlement. Rebate (Ibra') shall be calculated as follows:

$$\text{Rebate on early settlement} = \text{Remaining unearned profit}$$

Note:

 - (i) Remaining Unearned Profit = Total Profit (-) Accrued Profit
 - (ii) Total Profit = Selling Price (-) Financing Amount
 - (iii) No early settlement fee will be imposed
2. Customer is to be granted rebate for prepayment after considering the applicable pre-payment cost. Prepayment is allowed subject to the AB-i draft is not sold to the secondary market. Early partial settlement is not allowed.
3. The following takaful coverage are recommended/required to be taken from the Bank's panel:
 - Takaful coverage to cover the company in the event of death or permanent disability of the customer or key men of the company (applicable).
 - Takaful coverage over the goods (where applicable).

Where can you get assistance and redress?



Call us at:
03-7626 8899 /
03-7661 7777



Visit us at:
www.hlisb.com.my/bcbi



Email us at:
HLOnline@hlbb.hongleong.com.my

Agensi Kaunseling dan Pengurusan Kredit (AKPK)
Tel: 1-800-88-2575
<https://www.akpk.org.my/smehelpdesk>

If you have a query or a complaint that is not satisfactorily resolved by us, you may contact:

HLISB

Customer Advocacy
Tel: 03-7626 8821
Email: customerservice@hlbb.hongleong.com.my

BNMLINK

Tel: 1-300-88-5465
Overseas: 603-2174 1717
Website: bnm.gov.my/BNMLINK

The information provided in this disclosure sheet is valid as of 31 December 2025.