

PRODUCT DISCLOSURE SHEET

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Kindly read this Product Disclosure Sheet ("PDS") before you decide to take up Inward Bill for Collection-i ("IBC-i") with Hong Leong Islamic Bank ("Bank"). Be sure to also read the general terms and conditions.

The information provided is merely general information of the product. The terms and conditions indicated in this PDS are tentative/ indicative and may change at the discretion of the Bank.

Please seek clarification from the Bank if you do not understand any part of this document or the general terms.



Inward Bill for Collection-i (IBC-i)

December 2024

1. What is this product about?

IBC-i is a trade service provided by the Bank which complies with Shariah principles, as a Collecting/Presenting Bank to handle and inform Customer's (buyer's/drawee's) of the incoming shipping documents from their supplier (drawer). This intermediary service facilitates trade settlement on terms agreed between Customer and their supplier.

The handling by the Collecting/Presenting Bank of the shipping documents is based on instructions received from Remitting Bank, in order to obtain payment or acceptance or based on other pre-determined terms and conditions in Remitting Bank's collection instructions.

Documents for collection are subject to Uniform Rules for Collections, International Chamber of Commerce Publication No. 522 ("URC") currently in force.

2. What is the Shariah contract applicable?

IBC-i is based on the Shariah contract of Wakalah bil Ujah, whereby a party, as principal (muwakkil), authorises another party as his agent (wakil) to perform a particular task on matters that may be delegated, with imposition of a fee. Under this contract, the Bank shall act as the agent for the principal/drawee who is the buyer/importer and as the Collecting Bank, has the responsibility to perform checks on collection instructions and documents received from Remitting Bank.

The Bank acting as the agent for the principal/drawee who is the buyer/importer and as the Collecting Bank, is to ensure that:

- All relevant documents are provided in the collection instructions.
- The duration of the collection instruction must be consistent with the Bill of Exchange (if any)
- Mode of completion must be indicated
- IBC-i documents (including collection instructions) is being checked based on the current Uniform Rules of Collection.

3. What do I get from this product?

- a) Payment is made only upon release/after the acceptance of shipping documents, hence greater flexibility.
- b) This payment method is simpler and cheaper as compared to other trade services.

4. What are my obligations?

- a) You are required to make payment or accept the Bill of Exchange before the documents are released by the Bank.
- b) You are to pay at maturity of the Bills of Exchange accepted earlier.
- c) You authorise the Bank to debit your account in the Bank for the payment of commission and all customary charges and Bank Agent's charges, if any. In addition, you authorise the Bank to debit your account in the Bank with all monies so paid or for which the Bank is liable under the IBC-i.

5. What are the other fees and charges I have to pay?

Stamp Duties	As per Stamp Duty Act 1949 (revised 1989).
Legal and Disbursement Fees	Solicitor fee as per the Solicitor's Remuneration Order 2005 including fees for registration of charge, land search, bankruptcy search, related government tax and other tax or levy as per the scale fees charged by the respective authorities.
Others	Please refer Trade Services Fees & Charges in our website at URL: https://www.hlisb.com.my/en/personal-i/help-support/fees-and-charges/trade-service-i.html

6. What are the cut-offs times to observe for IBC-i?

Descriptions	Cut off time
IBC-i Issuance	2.00 pm
IBC-i Payment (RENTAS)	12.00 pm
IBC-i Payment (Non-RENTAS) (Foreign currency payment is subject to cut off time for each currency. Refer to Trade Services Centre for cut off time for each currency.)	2.00 pm

7. What if I fail to fulfil my obligations?

- If documents remain uncollected by you, we will return the documents to the presenting bank within sixty (60) days from date of receipt or upon request by presenting bank to return their documents, whichever is earlier.
- For *avalisation* that has been approved by the Bank, the Bank shall have the right to initiate legal action and seize the asset that has been funded by the Bank if you fail to make the payment within the time as specified by the Bank

8. What do I need to do if there are changes to my contact details?

It is important that you 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 contact us at +603-76268899 or visit any of our branches/ business centre nationwide.

9. Where can I get assistance and redress?

- If you have difficulties in making a payment, you should contact us earliest possible to discuss payment alternatives. For any enquiries, you may contact us at:

Contact Centre : 03-7626 8899 / 03-7661 7777
 Fax : 03-7946 8888
 E-mail : HLOnline@hlbb.hongleong.com.my
- Alternatively, you may seek the services of:
 - Khidmat Nasihat Pembiayaan (KNP)**, a service formalized by Bank Negara Malaysia (BNM) in collaboration with Credit Guarantee Corporation Malaysia Berhad (CGC) and Agensi Kaunseling & Pengurusan Kredit (AKPK) via MyKNP@CGC that provides financial advisory and recommendations to Small & Medium Enterprises (SMEs) who were unsuccessful in obtaining business financing from banks. You may contact KNP at:

MyKNP@CGC Advisory Unit under CGC
 Address : CGC Advisory at any CGC branches nationwide.
 Please refer to CGC website for the branch location at <https://www.cgc.com.my/cgc-branches>
 Telephone : 03- 7880 0088
 E-Mail : myknp@cgc.com.my
 Website : <https://www.bnm.gov.my/MyKNP>

- b) **Agensi Kaunseling dan Pengurusan Kredit (AKPK)**, an agency established by Bank Negara as a one-stop platform for both individuals and SMEs seeking financing restructuring services as well as financial education and credit advisory. You may contact AKPK at:

Agensi Kaunseling dan Pengurusan Kredit (AKPK)

Address : Tingkat 5 & 6, Menara Bumiputra Commerce, Jalan Raja Laut 50350 Kuala Lumpur, Federal Territory
Telephone : 1-800-88-2575
E-mail : enquiry@akpk.org.my
Website : <https://www.akpk.org.my/smehelpdesk>

- To make a complaint on products or services offered, you may contact us at:

Customer Advocacy

Address : Level 13A Floor, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur
Telephone : 03-76268821 / 03-76268802 / 03-76268812
E-mail : customerservice@hlbb.hongleong.com.my

- If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at:

Bank Negara Malaysia LINK or BNMLINK

Address : 4th Floor, Podium Bangunan AICB, No. 10, Jalan Dato' Onn, 50480 Kuala Lumpur
Telephone : 1-300-88-5465
Fax : 03-2174 1515
Website : <https://bnmlink.bnm.gov.my>

10. Where can I get further information?

Should you require additional information on Outward Bill for Collection-i ("IBC-i"), please visit any of our business centres nationwide or you may visit our website at www.hlisb.com.my website.

11. Other Business Trade Services-i Available

- Trust Receipt-i (TR-i)
- Letter of Credit-i (LC-i)
- Accepted Bills-i Purchase / Sale (AB-i)
- Bank Guarantee-i (BG-i)
- Shipping Guarantee-i (SG-i)
- Hong Leong Invoice Financing-i (IVF-i)
- Outward Bill For Collection-i (OBC-i)
- Hong Leong Onshore Foreign Currency Financing-i (OFCF-i)

IMPORTANT NOTICE

THE BANK MAY PROCEED WITH LEGAL ACTION AND FORECLOSURE OF YOUR ASSET FINANCED BY OR CHARGED AS COLLATERAL TO THE BANK SHOULD YOU FAIL TO PAY YOUR PAYMENT PROMPTLY

The information provided in this disclosure sheet is valid as at December 2024.