

OCBC BANK INTRODUCES MALAYSIA'S FIRST ERROR-SENSITIVE TRADE FINANCE e-FORM

New smart form expected to virtually eliminate delays caused by customers' omissions and errors due to user-unfriendly forms

Kuala Lumpur, 23 December 2013 – OCBC Bank (Malaysia) Berhad has introduced the country's first error-sensitive trade finance e-form, which is poised to eliminate delays caused by customers' omissions and errors.

Speaking at the customer launch of the e-forms, Mr Thing Tock Kong, OCBC Bank's Head of Global Trade Finance said considering approximately a fifth of the Bank's daily trade finance instructions are delayed purely due to omissions and errors in the forms, the exercise was necessary.

"The delays prompted us to embark on a year-long project beginning late last year to address the issue, effectively moving us a step further in our quest to make banking even simpler, faster and more convenient for our customers," he said.

According to Mr Thing, filling out application forms has always been an issue in trade finance, primarily because it can be highly technical and confusing.

"The matter is exacerbated by the reality that the people filling out the forms may well be unfamiliar with the intricacies of trade finance.

"Our error-sensitive trade finance e-form has been a year in the making and we are pleased to see it being rolled out today. Essentially, it takes the burden away from customers for determining how to proceed once they have filled out particular fields. This is done through a combination of simpler language, drop-down lists, default selections and automatic rejection of obviously unacceptable



Mr Thing Tock Kong, Head of Global Trade Finance

characters such as the ampersand (&) when used in a letter of credit being transmitted via SWIFT.

“So, for example, a person wishing to apply for a letter of credit to import based on free on board (FOB) terms will not be shown anything at all that is unrelated to it on the Letter of Credit application form. He will be immediately directed to the next relevant stage and only allowed to move on after the system is ‘satisfied’ there are no relevant mandatory fields left blank in the application. The net effect is time saved on the part of the customer.

“In our pilot tests, people were able to complete filling out the forms in as little as five minutes, compared to up to 30 minutes for the confusing forms of the past, where customers at times had to figure out for themselves which fields are really relevant for a particular application,” he said.

Explaining the journey through which trade finance forms have evolved, Mr Thing said the introduction of OCBC Bank’s error-sensitive trade finance e-form marked the fourth phase of trade finance forms.

“In phase one, banks adopted the standard format from the Association of Banks in Malaysia with hardcopies being distributed via bank branches. In the second phase, banks customised the forms to accommodate cosmetic changes such as including their logos, but continued to use hardcopies. In the third phase, banks developed softcopy forms, using Word, Excel or PDF document formats, which were essentially replicas of the hardcopy forms, and distributed via corporate websites.

“What we have done is to take softcopy forms to the next level, going beyond merely replicating hardcopy in softcopy,” he said.

Offering a taste of how the form works, Mr Thing said customers are first invited to choose their language of preference and the region of their business banking service desk when they open the form. After that everything kicks in step by step, with customers being invited to choose from a menu of forms encompassing imports, exports, loans and guarantees.

Ultimately, there are five steps involved from start to finish in relation to the form: download, fill, print, sign and submit. Customers can also save the file in their computer for future retrieval and usage.

OCBC Bank is one of the country’s leading providers of trade finance services and has been named best trade finance bank several times in the past. This year, it was recognised for Best Trade Finance Solution by *The Asset*.

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. It was ranked by Bloomberg Markets as the world's strongest bank in 2011 and 2012.

OCBC Bank and its subsidiaries offer a broad array of specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has a network of over 450 branches and representative offices in 15 countries and territories, including more than 330 branches and offices in Indonesia that are operated by its subsidiary, Bank OCBC NISP.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia by assets. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia. Private banking services are provided by subsidiary Bank of Singapore, which continued to gain industry recognition in 2011 including being voted "Outstanding Private Bank in Asia Pacific" in 2013 by Private Banker International.

OCBC Bank offers Islamic banking products and services in Malaysia through its wholly-owned subsidiary, OCBC Al-Amin Bank Berhad.

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