

- S 3.1.6** For Islamic deposit products, a FSP shall also inform financial consumers of the Shariah concepts applicable to the deposit product, including the rights and obligations of financial consumers. For example, the concept of *qard* refers to a lending contract where a FSP acts as a borrower. The FSP is bound to repay the principal amount in full to financial consumers upon request. In the case of fixed deposit, the concept of *tawarruq* refers to an arrangement of two sale and purchase contracts. Under the *tawarruq* arrangement, the FSP acts as an agent of financial consumers to purchase commodity on spot basis and subsequently sells the commodity to the FSP on deferred basis, where the FSP pays the amount due to the consumers based on the agreed terms, e.g. lump sum upon maturity.

3.2 At the point of entering into a contract

- S 3.2.1** A FSP shall inform financial consumers of the applicable charges that will be imposed if the account is overdrawn without a prior overdraft arrangement or beyond the overdraft limit when overdraft arrangement exists.
- S 3.2.2** A FSP shall inform financial consumers of its right to set-off any credit balance in the consumers' deposit accounts against any debit balance in other accounts maintained with the FSP. The FSP shall disclose the circumstances in which the FSP will exercise its right to set off the consumers' accounts.
- S 3.2.3** A FSP shall inform financial consumers of any charges on any "stop payment" instruction received from the consumers.
- S 3.2.4** A FSP shall disclose any applicable charges on the early closure of a deposit account within a specified time frame. The FSP shall alert the consumers of the implication of uplifting a fixed deposit account before its maturity.
- S 3.2.5** Should financial consumers choose to operate a joint account, a FSP shall disclose the following information-
- a. the rights and responsibilities of each accountholder of the joint account;
 - b. implications of the signing arrangement as specified in the account mandate; and
 - c. the manner in which such designated signatories or signing arrangement can be varied by one or both of the joint accountholders;
 - d. the FSP's right to set-off the credit balance in the joint account against the debit balance in another account which is held by one or both of the joint accountholders; and
 - e. implications to the joint account in the event of the death of one of the joint accountholders.
- S 3.2.6** A FSP shall inform financial consumers of the importance of proper safekeeping of the savings passbook/certificate of deposit, the procedures involved if the savings passbook/certificate of deposit is lost and any applicable fee in obtaining a new savings passbook/certificate of deposit.
- S 3.2.7** A FSP shall inform financial consumers of the circumstances under which a deposit account is designated as dormant/inactive.