

- S 1.2.5** A FSP shall clearly inform financial consumers of any applicable lock-in period for a loan/financing product. The FSP shall also disclose any early settlement charges payable by the consumers if a loan/financing is terminated before the end of the lock-in period, the method for calculation of such charges and when they are due. If a rebate for early settlement is applicable, the FSP must inform the consumers of the rebate entitlement and the method for calculating such rebate. The FSP must also inform the consumers of any rebate for MRTA/MRTT, if applicable.
- S 1.2.6** A FSP shall inform financial consumers on whether pre-payment or overpayment of the monthly instalment is allowed and the impact on the calculation of interest/profit charges. The FSP shall alert the consumers of the amount of any pre-payment or overpayment penalty/charge that may be imposed. The FSP must also inform the consumers of the process for making such payments.
- S 1.2.7** A FSP shall inform financial consumers of the FSP's right to set-off any credit balance in the financial consumers' 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 1.2.8** A FSP shall inform financial consumers of the FSP's right to outsource debt collection to a third-party debt collection agency and to sell impaired loan/financing to a third party.
- S 1.2.9** A FSP shall highlight to financial consumers the implications on the loan/financing facility in the event of the death of the borrower or joint borrower during the loan/financing tenure.
- S 1.2.10** A FSP shall inform financial consumers of the possible actions that may be taken by the FSP in the event of default by the consumers. For Islamic financing products, the FSP shall also explain the default mechanism based on the different Shariah concepts applicable to the financing product. Relevant illustrations must be provided by the FSP to ease the consumers' understanding of the default mechanism.
- S 1.2.11** A FSP shall inform financial consumers of the importance of notifying the FSP of any change in the consumers' contact details and the notification method.

### **1.3 During the term of the contract**

- S 1.3.1** A FSP shall provide a loan/financing statement to financial consumers at least once a year. The statement shall indicate the outstanding balance at the beginning and end of the period covered by the statement, the amount credited and charged and the dates when those amounts were posted to the account.
- S 1.3.2** A FSP shall inform financial consumers of any change in the interest/profit rate of a loan/financing product at least seven (7) calendar days prior to the date the revised instalment amount comes into effect. The FSP shall provide the consumers with particulars of the revised instalment or rental payable. The FSP shall ensure that the mode of notification allows the information to reach the