Annex 3: Key Facts (Savings)

The following represents a list of key information financial institutions should provide to clients regarding savings products.

Cost of Product

- Please list all relevant information for all fees associated with savings product. At a minimum, disclosure should include the type of fee (initial enrollment, account closing fee, etc) and the frequency (monthly? One-time?).
- If applicable, what is the minimum balance required?
- If applicable, what is the penalty/fee for falling below the minimal balance?
- If applicable, how is the fee for minimum balance calculated? [the fee should be based on the cost of maintaining the account and should not be excessive]

Savings product structure

- Is the savings product compulsory or voluntary?
- Will savings be used as collateral under any circumstances? [if so, please see collateral disclosure obligations under Model Legal Framework and Smart Campaign guidelines]
- If savings may be collateralized, can client withdraw savings without penalty once all outstanding credit has been repaid?
- Are compulsory savings products sold and managed separately from voluntary products?

Overdraft

- Can clients overdraft their account? If yes, please explain overdraft purpose/structure to client.
- What fees are associated with overdraft?
- How and when are clients notified that they have overdrafted their account?
- How do clients consent or withdraw their consent for overdraft protection? [Clients must consent to overdraft]

Withdrawal of funds

- What is the process for withdrawal? Where can a client go to withdraw funds?
- Who, if anyone other than the client, can withdraw funds from the account?
- Disclose any penalties for withdrawing from savings product at any time or for any reason.
- What steps does the financial institution take to ensure that the savings account is secure?

1 For additional information, please see the Smart Campaign tool: Smart Savings: Client Protection in the Savings Process