

### Retaining the Deposit if the Transaction is Cancelled

Question: Is it permissible for a customer pay a deposit with the understanding that it will be forfeited if he does not return within a prescribed time to pay the balance?

Answer: Notwithstanding the agreement, the deposit is a trust and has to be returned in full to the customer if the transaction is cancelled. It may be retained as part payment only if the transaction is completed.

The seller therefore cannot retain the money and must make every effort to return it if he is aware of the customer's whereabouts. If not, the money may be given to the poor. Therefore, if the customer returns, he has the right to demand the money back if he does not approve of the charity. And Allaah knows best what is most correct.

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