



## **INFORMATIVE LEAFLET ON THE SWITCHING OF PAYMENT ACCOUNTS / ORDERS BETWEEN BANKS FOR INDIVIDUALS**

This informative leaflet has been prepared to provide general information on the **payment account switching process** as referred to in the "Law on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features" to which you can refer for more information.

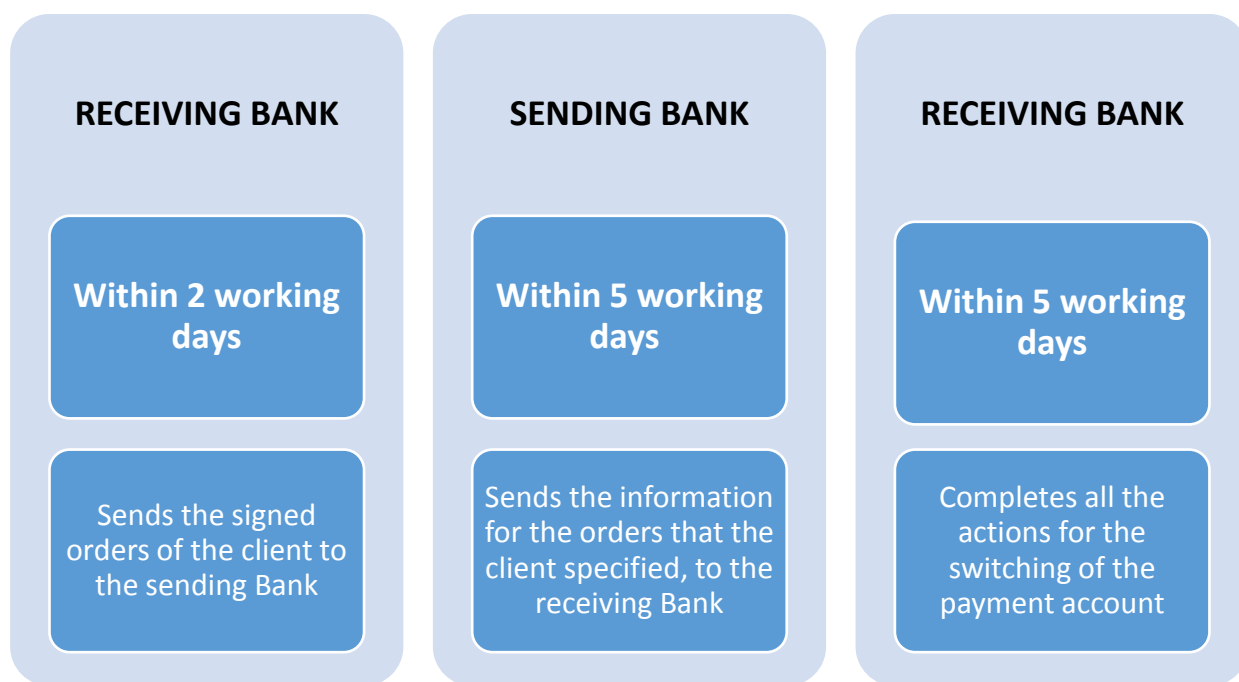
**"Payment account"** means an account held in the name of one or more consumers and used to execute payment transactions (e.g. current account, savings account).

**"Consumer"** means any physical person who acts upon purposes that do not fall within his/her business, commercial, crafted or professional activities.

**"Switching of account"** means the consumer's right to require a payment service provider (hereinafter referred to as "the sending bank") to transfer to another payment service provider (hereinafter referred to as "the receiving bank") the following:

1. Any credit balance, with or without account closure and/or
2. All or part of his / her banking orders, including:
  - i. Standing Orders;
  - ii. Recurring Direct Debit (SEPA Direct Debits);
  - iii. Recurring incoming credit transfers (e.g. payroll).

Banks participating in the change of account must complete the actions within 12 working days (provided that all necessary information / authorizations have been provided by the involving stakeholders), as shown in the chart below.



The receiving Bank shall, **within 2 working days**, forward to the sending Bank the authorization of the client to take the appropriate actions as provided in the authorization. The authorization shall be drafted in an official language of the Republic or in another language to be agreed between the parties.

The authorization is given in writing on paper or by other means and a copy to the consumer and specifies the change in incoming credit transfers, standing orders for credit transfers and direct debit orders. It shall further specify the date of execution of such orders which is placed at least **six working days** after the receipt by the receiving Bank of the necessary documents from the sending Bank.

It should be noted that, as far as the Recurring Direct Debits and/or Recurring Incoming Credit Transfers directed towards, and/or, coming from, the Republic or the Social Insurance Fund are concerned, the Payer / Beneficiary cannot be specified by the client in the Authorization paper (Document 1) of the Code, since the Republic wishes to preserve its own current practice concerning documents and payment procedures directed towards, and/or from, the new account.

The receiving Bank shall request from the sending Bank the following, provided that they are provided for in such authorization:

1. To provide a list of existing standing orders for credit transfers and information on changing direct debit orders, recurring incoming credit transfers and direct debits executed over the past 13 months. The above list can also be transmitted to the consumer upon request.
2. To cease accepting such services from the date specified in the authorization.

3. To cancel the standing orders, transfer any positive balance in the consumer's account to the receiving Bank and close the account held in the sending Bank on the date(s) specified in the authorization.

The sending Bank:

1. Is obliged to perform (1) above, **within five working days**.
2. Is obliged to perform 2 and 3 above at the dates specified in the authorization.
3. With regard to (2) above, it is obliged to inform the payer or the beneficiary of the reason for not accepting a payment transaction, provided that any one of them requests so **within six months** from the date of such rejection.
4. With regard to (3) above, it shall **immediately** inform the consumer if, due to outstanding commitments, the closure of the account is not allowed.

The receiving Bank **within five working days** of receipt of the above by the sending Bank and to the extent that the information received permits to do so, shall perform the following:

- I. Identify and execute standing orders and perform the necessary preparations to accept direct debits on the date(s) specified in the authorization.
- II. Disclose the details of the consumer's new account to the consumer's payers who make repeated incoming credit transfers and send them a copy of the authorization. Provided that it does not have all the information it needs for the above notification, it requests it from the consumer or the sending Bank.
- III. Disclose to the beneficiaries of the consumer who receive monetary amounts by direct debit, the details of the consumer's new account and the new date of receipt of direct debits and send them a copy of the authorization. Provided that it does not have all the information it needs for the above notification, it requests it from the consumer or the sending Bank.

In the event that the consumer chooses to inform the payers / beneficiaries in (II) and (III) above himself and does not give the relevant authorization to Document 1 of the Code, the receiving Bank shall provide him with standard letters with the details of the payment account and the start date specified in the authorization **within five working days** of receipt of the necessary information, as mentioned above, by the sending Bank.

### Fees associated with the account change service

- (A) The consumer has **free** access to his / her personal information for existing standing orders and direct debits held either by the sending or the receiving Bank.
- (B) The sending Bank provides the information to the receiving Bank referred to in (A) above **free of charge to both the receiving Bank and the consumer.**
- (C) The fees, if applicable, charged by the sending/receiving Bank are determined in accordance with each Bank's pricing policy.

### Competent Authority for Resolving Disputes

In order to resolve any disputes arising from the rights and obligations set by the Law, a number of alternative dispute resolution procedures must be adopted, as stated in the Alternative Resolution of Disputes Law of 2017. The said disputes must be resolved by Alternative Dispute Resolution Entities, stated in a relevant List of the Consumer Protection Service operated by the Ministry of Energy, Commerce and Industry, regularly updated according to the provisions of Article 22 of the said Law. More information can be found in the relevant website of the Service.