

Payment Account Directive information

Account switching process

As Customer or prospect customer of HSBC Private Bank (Luxembourg) S.A. ('**HSBC**'), you may benefit from the account switching process as regulated in the law of 17 June 2017, which transposed the Payment Account Directive (Directive 2014/92/EU). The aim is to facilitate a smooth and timely transfer of recurrent payments linked to your existing bank account to your new bank. To that end you can authorise your new bank to communicate with your existing bank in order to ensure that a. your new bank account takes on the same standing orders, credit transfers and direct debits as your existing account as per an agreed date and b. your existing bank ceases those standing orders, credit transfers and direct debits and closes your account as per a certain dateⁱ.

Below you find a description of the switching process:

◆ If you wish to become customer of HSBC:

and you have an existing payment account with a bank in Luxembourg, you can send to HSBC an authorisation letter (PAD Standard letter of authorisation) which allows you to:

- identify incoming and exiting transfers and all specific orders on your current account that you wish to transfer to your new bank;
- formalise your agreement to use the switch account process;
- inform your bank of the desired execution date for the switch of your account.

NB: For multiple account users HSBC needs an authorisation from **each** account holder.

Within two business days after receipt of your authorisation, HSBC will then notify your current bank and ask them to:

- provide a list of existing standing orders for credit transfers and information on direct debit mandates;
- transmit information about recurring incoming credit transfers and creditor driven direct debits;
- stop accepting direct debits and incoming credit transfers;
- cancel standing orders on the date mentioned in the authorisation;
- transfer any remaining positive balances to the new payment account; and
close the existing payment account from the relevant date.

As soon HSBC receives the required information from your current, HSBC will within 5 business days carry out the following:

- Set up the standing orders for credit transfers you requested and execute them from the date mentioned in the authorisation;
- Make necessary preparations to accept direct debits with effect from the date specified in the authorisation letter;



- Inform you of your new rights;
- inform payers specified in the authorisation and making recurring incoming credit transfers into a your account of the details of your payment account (and transmit to the payers a copy of your authorization);
- inform payees specified in the authorisation and using a direct debit to collect funds from your payment account of the details of the your new payment account and the date from which direct debits are to be collected from that payment account. They will also receive a copy of your authorisation.

In case HSBC lacks relevant information about your orders or exiting transfers to fulfil with its engagement you could be asked to provide the information required to set up the account.

If your existing account is held outside Luxembourg but within the EU, the switching process applies only partly. In this case, you can ask your existing bank to provide you with a list of all the currently active standing orders for credit transfers and debtor-driven direct debit mandates and provide us with the list so we can set up your account in the same way as your existing account. In addition you can ask your existing bank to transfer any positive remaining balance on your account to your new account at HSBC.

◆ **If you wish to terminate your account with HSBC:**

1. **In case your new account is within Luxembourg:**

In the case that you leave HSBC, you can send instructions or an authorisation letter to the bank you have chosen to become your new bank. As soon HSBC receives the notification from your new bank, HSBC will within 7 business days carry out the following:

- Provide a list to your new bank of all existing standing orders for credit transfers and information on direct debit mandates;
- Transmit information about recurring incoming credit transfers and creditor driven direct debits;
- Stop accepting direct debits and incoming credit transfers;
- Cancel standing orders on the date mentioned in the authorisation;
- Transfer any remaining positive balances to the new payment account; and
- Close the existing payment account from the relevant date.

2. **In case your new account is outside Luxembourg:**

If your future bank account is outside of Luxembourg, the switching process applies only partly. In this case, upon your request and to help you set up your new account, we can provide you with a list of all the currently active standing orders for credit transfers and debtor-driven direct debit mandates (free of charge), where available, and with available information about recurring incoming credit transfers and creditor-driven direct debits executed on the consumer's payment account in the previous 13 months.

Once you have provided the details of your new payment account, we will transfer any positive balance remaining on your account to your new account and close your account with us after the transfer has been completed.



◆ Fees

The switching process – meaning the service as described above under paragraph 1 and 2 - is provided free of charge. However, note that other fees may be charged in relation to the opening or closing of your account and i.e. transfer of your assets, custody or other fees. Please refer to the fee schedule or ask your Relationship Manager.

◆ Complaints

You can address a complaint towards HSBC via the procedure available on <https://www.hsbc.lu/>

In case of litigation the CSSF is the competent authority to assess related issues in relation to the switching of account process.

◆ Questions

Please contact your Relationship Manager.

ⁱ Please be informed that the account switching service is offered after the relevant account opening documents have been duly filled out and signed and the required KYC / CDD Procedures have been followed. This date shall be at least six business days after the date on which your new bank receives the required information from your existing bank.



Luxembourg, _____

Re: Authorisation for the transfer of Data in the context of switching bank account (hereinafter the “Switching of Bank Account”)

Dear Madam, Dear Sir,

To enable the Switching of Bank Account, the payment service details related to my current account number

(**IBAN**) _____ (hereinafter the “Account”)

opened with Bank name: _____

(hereinafter the “**Bank**”) Bank address: _____

shall be transferred to Bank name: _____

(hereinafter the “**New Bank**”) Bank address: _____

In that context, I, the undersigned,

First name: _____ Last name: _____

Born on _____ in _____

Domiciled at _____

Understand that these payment service details represent confidential information and documentation (including but not limited to incoming credit transfers, standing orders, salary details, pension details, rent received, bank statements with payment details, identification document, contracts) which may fall under the definition of personal data (hereinafter referred as the “Data”) within the meaning of the Luxembourg Law of 2 August 2002 on the Protection of Persons with regards to the processing of personal data, as amended.

For the purpose of Switching of Bank Account and to the extend required, I, the undersigned, hereby consent and expressly mandate, authorize and empower the Bank to transfer the Data to the New Bank and fully release the Bank from its professional secrecy obligations under the laws and regulations in force in Luxembourg.

Additionally, I hereby instruct the Bank to end all direct debits or standing orders on the Account within a period which cannot exceed a month after the date of receipt by the Bank of this letter of Authorisation.

Yours sincerely,

Signature