

Simplified information sheet

prepared under the Law on the accessibility
of products and services.

Payment account and payment services

This simplified information sheet is intended for you as an interested person. You are a client of the bank or may become one.

The **ABBL** has prepared this leaflet together with its members. The ABBL is the **Association des Banques et Banquiers, Luxembourg**, (Luxembourg Bankers' Association).

The information sheet explains:

- what a payment account is;
- the different payment services and bank cards (debit, credit).

The information provided here is not legally binding. It does not create any obligation for you. It also does not oblige the bank to offer this service to you.

Some words are explained in the text. Underlined words are explained in a **glossary** at the end of this sheet.

By providing this information, the bank complies with Article 15 of **the Luxembourg law of 8 March 2023 on the accessibility of products and services** offered by companies.

This means that companies must provide clients with **easy access** to the products and services they offer. Clients should be able to understand and use the products and services, without assistance.

The aim is to enable **everyone to participate in social life**.



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1. What is a payment account?

A payment account, also called a **current account**, allows you to perform various banking operations, for example, **withdrawing cash**. These operations are listed under point 2 “Payment Services.”

2. What are payment services?

The bank may offer you various services related to your payment account, called **payment services**.

These may include one or more of the following:

- Deposit money into your account;
- Withdraw money from your account;
- Receive payments;
- Make transfers;
- Set up **SEPA direct debits**;
- Pay by card (debit card or credit card);

3. How to open a payment account?

To open a payment account, you must sign a contract with the bank. The contract states which payment services the bank offers you.

The bank **records all transactions** on your account. You can view them in your **account statement**, which shows all transactions and your **account balance**—the money remaining in your account.

The terms for using the payment account are defined in the bank’s General Terms and Conditions.

4. How to deposit money?

To **deposit money** into your account, the bank may offer one or more options, for instance:

- at an ATM with your bank card.

5. How to withdraw money?

To **withdraw money**, the bank may offer one or more options, for instance:

- at an ATM with your bank card.

6. How does a transfer work?

A transfer allows you to move money from your account to another bank account.

There are:

- **SEPA transfers**; and
- **International (non-SEPA) transfers**.

SEPA stands for “Single Euro Payments Area.” In the SEPA area, there are uniform rules (standards) for digital payments in euros between SEPA member countries. These standards make digital payments—such as card payments, direct debits, and transfers—easier and safer between SEPA member countries.

The SEPA euro payments area includes all countries of the European Union as well as some additional countries.

A **SEPA transfer** is made in euros and takes place between countries participating in the SEPA system.

International transfers (non-SEPA) go to countries outside the SEPA area. They are usually conducted in another currency, for example, US dollars or Japanese yen.

7. What information are required for an international transfer?

For an **international transfer (non-SEPA)**, you must provide:

- full name of the recipient (to whom you are transferring the money);
- address of the recipient
 - o Account number of the recipient in **IBAN** (International Bank Account Number), or
 - o Standard account number if no IBAN
- optionally, the recipient bank's **BIC** (Bank Identifier Code) oder SWIFT Code (Society for WorldWide InterBank Financial Telecommunication) code of the recipient's bank;
- purpose of the transfer;
- amount of the transfer.

In order for the transfer to be executed, you must authorize the payment, for example, by:

- your signature;
- a security code;
- or another method required by your bank.

8. What information is required for a SEPA transfer?

For a **SEPA transfer**, you must provide:

- full name of the recipient (to whom you are transferring the money);
- IBAN (International Bank Account Number); or
- amount of the transfer.

In order for the transfer to be executed, you must authorize the payment, for example, by:

- your signature;
- a security code;
- or another method required by your bank.

The bank executes the transfer if there are sufficient funds in your account.

If you have an **overdraft facility** (this means your bank allows you to spend more money than you have in your account), the transfer is also executed as long as it does not exceed the limit.

Transfers can be made via different channels (e.g., online banking, mobile app).

Attention: additional conditions may apply and are specified in your contract.

9. How does a direct debit (SEPA) work?

A SEPA direct debit is a secure payment method that allows a creditor (the person to whom you owe money) to **automatically withdraw money** from your account.

To use a SEPA direct debit you must sign a **SEPA mandate** (direct debit mandate).

The mandate allows:

- the creditor to request the debit from your bank;
- the bank to debit your payment account directly.

SEPA direct debits can be used for **rent** or **utility bills**.

The bank can only execute the debit if there are sufficient funds, otherwise, it will be rejected.

If you believe you have been the victim of an error or fraud, you can dispute it with your bank:

- within **8 weeks** from the of the SEPA direct debit, without giving a reason, whether or not you have signed a mandate;
- within **13 months** from the SEPA direct debit (for example: you have not signed a direct debit mandate).

All conditions for the SEPA direct debit are set out in the contract you sign with your bank. These conditions are often called 'General Terms and Conditions' or 'General Terms and Conditions for Transactions'.

10. What is a debit card for?

The bank can issue a debit card for your account.

With a debit card, you can:

- pay in Luxembourg and abroad;
- shop online (if supported);
- withdraw cash at ATMs.

The card and PIN are sent separately and the PIN must be kept confidential.

11. How to pay with your debit card?

You can use your debit card in several ways:

- **with a PIN:** insert the card into the device and enter your PIN;
- **contactless:** hold the card near the device. For small amounts, no PIN is required;
- **online:** if possible, with additional security checks;
- **with a smartphone:** for example, using fingerprint or facial recognition.

The payment will only be accepted if you do **not exceed your card limit**.

This limit may depend on the available funds in your account.

The amount is deducted directly from your account.

The rules for using your debit card are set out in your card agreement. You signed this agreement when you applied for the card. The card agreement is separate from your account agreement.

12. How to withdraw money with a debit card?

You can withdraw money from an ATM (cash machine) using your debit card and your PIN code, provided that you have enough money in your account or have permission to overdraw the account up to an agreed maximum amount. The withdrawal limit may depend on the funds available in your account (your account balance).

Attention: fees may apply for withdrawals made at an ATM of another bank or abroad.

13. What is a credit card for?

Upon request, the bank will issue you a credit card linked to your account.

With this card, you can:

- make payments in Luxembourg or abroad;
- shop online;
- withdraw cash from ATMs;

Attention: Additional fees may apply when using ATMs of other banks or abroad.

14. How to pay with your credit card?

You can use your debit card in several ways:

- **with a PIN:** insert the card into the device and enter your PIN;
- **contactless:** hold the card near the device. For small amounts, no PIN is required;
- **online:** if possible, with additional security checks;
- **with a smartphone:** for example, using fingerprint or facial recognition.

The payment will only be accepted if you do **not exceed your card limit**.

When you use your credit card, the money is not immediately withdrawn from your account after the transaction. All payments made during the month are debited from your bank account in a single transaction during the following month. You must therefore have enough money in your bank account to pay for all banking transactions for the month.

If you are authorised to overdraw your account, you can make payments even if you do not have enough money in your account. However, this is limited and specified in your contract with the bank (see point 16).

15. How to withdraw money with your credit card?

You can withdraw cash from cash machines/ATMs using your credit card and PIN code.

Attention: you must not exceed your card's usage limit, otherwise the payment will be declined.

16. Is it possible to be overdrawn?

The bank can give you overdraft authorisation. This means that the bank allows you to spend more money than you have in your account- but only up to a certain limit.

Before that, you must sign another contract with the bank in addition to the contract to open a payment account.

This contract explains:

- how much you are allowed to overdraw your account;
- under what conditions you can obtain the overdraft;
- what fees the bank charges for it.

17. What is a basic payment account?

A basic account is a payment account. With it, you can:

- deposit and withdraw money;
- make transfers;
- allow direct debits;
- pay with a bank card.

The bank **may** provide you with an overdraft, but it is **not obliged** to do so.

Luxembourg law requires that the following banks and institutions offer basic accounts:

- Banque et Caisse d'Epargne de l'Etat, Luxembourg (Spuerkeess);
- Banque Raiffeisen;
- BGL BNP Paribas; and
- POST Luxembourg.
- Banque Internationale à Luxembourg (BIL) also offers 'basic payment accounts'. However, BIL is not obliged to offer such accounts.

The basic account must be accessible to all consumers with a legal residence in the European Union. This also includes consumers without a fixed residence or asylum seekers.

18. What are the fees associated with a payment account?

There are various fees that you will need to pay. These fees are related to:

- account maintenance fees;
- card fees;
- interest on overdrafts.

Details of the fees are set out in the bank's list of charges. This list is available on your bank's website.

19. What is the duration of the contract? Can you terminate the contract?

The contract is generally concluded for an indefinite period (i.e., without an end date). You can terminate the contract at any time by respecting the **notice period** specified in your contract.

The bank may also terminate this contract in accordance with the conditions set out in the agreement.

Glossary

- **Notice period:** It is the period between the notice of termination (for example, the end of a contract) and the date on which the termination takes effect (when the contract ends).
- **SEPA direct debit:** This allows a payee (for example, a company) to automatically withdraw money from the payer's account. This is only possible if the account holder has previously given permission for the direct debit. This permission is called a *direct debit mandate*.

Example: if you pay your electricity bill by direct debit, the company can automatically withdraw the amount from your account each month.

A glossary is also available on the OSAPS website (www.osaps.lu). You will find other banking terms explained there.