

Administrative penalty of 19 February 2024 for breaches related to professional obligations concerning the establishment of a central electronic data retrieval system related to IBAN accounts and safe-deposit boxes

Administrative penalty imposed on the professional of the financial sector POST Luxembourg

Luxembourg, 22 March 2024

Administrative decision

On 19 February 2024, the CSSF imposed an administrative fine amounting to 152,100 euros on the professional of the financial sector POST Luxembourg (« **POST Finance** »), authorised to provide financial services, including the acceptance of deposits or other repayable funds from the public, in relation to cheques and post office transfers and current accounts associated thereto, as well as the provision of payment services and the issuing of electronic means of payment as well as all activities authorised for professionals of the financial sector under Luxembourg law other than credit institutions in accordance with the provisions of Article 1 of the Law of 15 December 2000 on the postal financial services as amended.

Legal framework/motivation

The administrative fine was imposed by the CSSF pursuant to Article 5(1)(a) and Article 5(2)(d) of the Law of 25 March 2020 establishing a central electronic data retrieval system related to IBAN accounts and safe-deposit boxes as amended ("**CRBA Law**") for breaches of professional obligations concerning the establishment of a central electronic data retrieval system related to IBAN accounts and safe-deposit boxes ("**CRBA**"), taking into account the criteria laid down in Article 5(4) of the CRBA Law, in particular the gravity and duration of the infringements – which were deemed very high, considering the volume of impacted data, the persistency of the breaches since at least 2021 and the repetitive communication of these facts to the Entity – as well as the financial situation of the legal person held responsible for the breaches.

The CSSF has duly taken into consideration the fact that POST Finance undertook corrective actions in order to resolve certain of the breaches identified.

The professional obligations in relation to which the breaches were observed are set out in particular in:

- The CRBA Law;
- Circular CSSF 20/747 as amended and its annexes specifying technical modalities relating to the application of the CRBA Law and aiming at providing the necessary details in view of setting up and implementing the technical infrastructure required to allow the central electronic data retrieval system established and managed by the CSSF to operate efficiently ("**Circular CSSF 20/747**");

as applicable at the time of the facts.

Legal basis for the publication

This publication is made pursuant to the provisions of Article 5(6) of the CRBA Law so far as, following a proportionality assessment, the CSSF considered that publication on a nominative basis was not disproportionate and did not jeopardise the stability of the financial markets or an on-going investigation.

Context and major cases of non-compliance with professional obligations identified

This administrative fine follows a CSSF on-site inspection performed between February and October 2023 at POST Luxembourg business unit POST Finance on IT risk. During this inspection, the CSSF identified significant cases of breaches of professional obligations concerning the establishment of a CRBA which were related in particular to the following points:

- Not all payment accounts and bank accounts identified by an IBAN were reported to the CSSF as part of the CRBA. This was due to the use of an incorrect date criteria in the data extractions. This shortcoming constitutes a violation of the provisions of Article 2(1) of the CRBA Law, and further detailed by Circular CSSF 20/747. The provision by professionals of a complete file is an essential professional obligation to guarantee the objectives pursued by the CRBA Law, in particular the establishment of the CRBA and the identification of natural or legal persons by all authorities and self-regulatory bodies that access the CRBA data in the context of their respective missions.
- The quality of certain information reported to the CSSF as part of the CRBA was not sufficient, in particular as a result of incorrect, incomplete and/or inaccurate entry of personal data



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in the file subject to the CRBA. This shortcoming constitutes a violation of the provisions of Article 2(2) of the CRBA Law, as detailed in Circular CSSF 20/747. The provision by professionals of a file containing adequate, accurate and current data is an essential professional obligation to guarantee the objectives pursued by the CRBA Law, in particular the establishment of the CRBA and the identification of natural or legal persons by all authorities and self-regulatory bodies that access the CRBA data in the context of their respective missions.

