

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

In case of discrepancies between the French and the English text, the French text shall prevail

Luxembourg, 29 July 2010

To all credit institutions
subject to the CSSF's supervision

CIRCULAR CSSF 10/479

Re: Bank Account Switching

Ladies and Gentlemen,

We would like to draw your attention to the common principles governing bank account switching for which the European Banking Industry Committee (EBIC) has undertaken to obtain acceptance by all its member bodies (the Bankers' Associations of the Member States of the European Union).

These principles entered into force on 1 November 2009.

EBIC set down these principles at the request of the European Commission which considers that consumer mobility is one of the main driving elements of competition in the banking services markets.

The principles and standards only apply where a consumer wishes to close a current account held at a Luxembourg bank (former bank) in order to open a new account at another Luxembourg bank (new bank).

The principles are available in detail on EBIC's website (www.eubic.org).
They lay down among other things:

- that the new bank may undertake all the necessary steps to transfer the current account on behalf of the client if the client authorises the bank thereto in writing;

- that the new bank may organise the transfer of recurrent payment transactions to the new account, as well as the transfer of the available positive account balance, this at the client's request;
- that the maximum time limits are as follows: seven days for the new bank to request the necessary information for the transfer, seven days for the old bank to provide them;
- that the new bank will make a guide on bank account switching available to the client. In this regard, we inform you that the Luxembourg Bankers' Association ABL published on its website a reference document <http://www.abbl.lu/articles/switching-bank-accounts-luxembourg> "Switching Bank Accounts in Luxembourg : A Guide" that you may use as a reference document.

Even if these principles mainly apply to retail banks, the CSSF believes that they should be considered by all the credit institutions under the supervision of the CSSF.

Please also consider the need to have a contact person in order to facilitate the procedures linked to the transfers requested.

Please also note that the CSSF will be in charge of assessing the implementation of the principles in November 2010.

Yours faithfully,

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

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