

Payment accounts: New CSSF Circular

Posted 29.11.2018

On 19 October 2018, the CSSF issued a new Circular 18/700 ("**Circular**") relating to the Law of 13 June 2017 on payment accounts ("**Law**").

This Circular brings transparency and strengthens the protection of customers in the area of payment accounts through four obligations to be respected by payment service providers such as banks or payment institutions:

1. (i) establishment of a tariff information document. The document has to be provided to consumers before opening a payment account, and shall include fees related to services enumerated by the Grand Ducal Regulation of 6 June 2018, in the form as described in Regulation (EU) 2018/34;
2. (ii) providing free annual statement of fees incurred. The statement has to be sent at least once each year, the transmission mode is determined through an agreement between the consumer and the payment service provider, and the form is described in Regulation (EU) 2018/33;
3. (iii) providing the consumer with a glossary including at least the standardised list and corresponding definitions described in the Grand Ducal Regulation of 6 June 2018;
4. (iv) assuring the use of terms included in the standardised list (described in the Grand Ducal Regulation of 6 June 2018) in the relation to the consumer.

In addition to these four features, the CSSF has new prerogatives:

- it will implement and manage a website in order to compare at least the fees charged for services contained in the standardised list (more information in Press Release 18/35). Payment service providers that are required to provide information are those who meet Article 23§1 requirements of the Law¹. Those who do not meet these requirements can require to be included in the website by making a specific request to the CSSF;

- it can request information from payment service providers on the fulfilment of the four obligations described in the Circular.
- 1 The payment service provider has at least 25 agencies in Luxembourg and at least 2.5% of guaranteed deposits.

For any further information please contact us or visit our website at **www.elvingerhoss.lu**.

The information contained herein is not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific legal advice concerning particular situations.

We undertake no responsibility to notify any change in law or practice after the date of this newsletter

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