

Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC (Text with EEA relevance) (repealed)

TITLE II

PAYMENT SERVICE PROVIDERS

CHAPTER 1

Payment institutions

Section 1

General rules

Article 16

Activities

1 Apart from the provision of payment services listed in the Annex payment institutions shall be entitled to engage in the following activities:

- a the provision of operational and closely related ancillary services such as ensuring the execution of payment transactions, foreign exchange services, safekeeping activities, and the storage and processing of data;
- b the operation of payment systems, without prejudice to Article 28;
- c business activities other than the provision of payment services, having regard to applicable Community and national law.

2 When payment institutions engage in the provision of one or more of the payment services listed in the Annex, they may hold only payment accounts used exclusively for payment transactions. Any funds received by payment institutions from payment service users with a view to the provision of payment services shall not constitute a deposit or other repayable funds within the meaning of Article 5 of Directive 2006/48/EC, or electronic money within the meaning of Article 1(3) of Directive 2000/46/EC.

3 Payment institutions may grant credit related to payment services referred to in points 4, 5 or 7 of the Annex only if the following conditions are met:

- a the credit shall be ancillary and granted exclusively in connection with the execution of a payment transaction;
- b notwithstanding national rules on providing credit by credit cards, the credit granted in connection with a payment and executed in accordance with Article 10(9) and Article 25 shall be repaid within a short period which shall in no case exceed twelve months;
- c such credit shall not be granted from the funds received or held for the purpose of executing a payment transaction; and

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d the own funds of the payment institution shall at all times and to the satisfaction of the supervisory authorities be appropriate in view of the overall amount of credit granted.

4 Payment institutions shall not conduct the business of taking deposits or other repayable funds within the meaning of Article 5 of Directive 2006/48/EC.

5 This Directive shall be without prejudice to national measures implementing Directive 87/102/EEC. This Directive shall also be without prejudice to other relevant Community or national legislation regarding conditions for granting credit to consumers not harmonised by this Directive that are in conformity with Community law.