

Transposition Note

Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching, and access to payment accounts with basic features.

Background

The Payment Accounts Directive (“PAD”) came into force in September 2014 and was brought forward to address issues the European Commission had identified in the payment accounts market.

PAD has three main aims:

- to make it easier for consumers to compare the fees charged in relation payment accounts by payment service providers (principally banks) in the European Union;
- to establish quick and easy procedures for switching from one payment account to another, with a different payment service provider; and
- to confer a right on all consumers lawfully resident in the European Union, irrespective of their country of residence or financial situation, to a payment account allowing them to perform essential functions (known as a payment account with basic features).

PAD applies to payment accounts through which consumers are able to:

- place funds in a payment account;
- withdraw cash from a payment account; and
- execute and receive payment transactions, including credit transfers, to and from a third party.

What follows is a short summary of the main requirements imposed by PAD.

Fee information

Payment service providers will have to provide detailed information on fees to consumers and will have to do so in a standardised format. Payment service providers will be required to provide consumers with two new standardised documents:

- a pre-contractual fee information document ; and
- a statement of fees (at least annually).

The statement of fees must include at least the following information:

- the unit fee charged for each service and the number of times the service was used;
- the total amount of fees incurred for each service, each package of services provided and services exceeding the quantity covered by the packaged fee;
- the overdraft interest rate applied and the total amount of interest charged relating to the overdraft (where applicable);
- the credit interest rate and the total amount of interest earned; and
- the total amount of fees charged for all services.

Where a payment account is offered as a packaged account, payment services providers need to inform customers whether the account can be bought separately, and if so, provide customers separate information on the costs and fees of the different products and services when purchased separately.

Standardised terms

Member States will establish a provisional list of at least ten to twenty of the most representative services linked to a payment account and subject to a fee. Member States will have regard to services that are most commonly used by consumers in relation to their payment account and generate the highest cost for consumers.

Each Member State must submit its list to the European Commission and the European Banking Authority (EBA) by 18 September 2015. Based on the lists of all Member States, EBA will develop EU standardised terms and definitions. Following the adoption of the EU standardised terms and definitions, each Member State must integrate these into their provisional national list.

Payment service providers will be required to use the standardised terminology in the fee information document and the statement of fees. A glossary of at least the EU standardised terms, including their definitions, should be made available to consumers on request.

Comparison websites

PAD requires Member States to ensure that consumers have access, free of charge, to at least one independent price comparison website (PCW) comparing fees charged by payment service providers, for at least those services included in each national list of ten to twenty of the most representative banking services. The PCW for the UK will be operated by the Money Advice Service.

Payment account switching

Payment service providers must put in place a switching service for payment accounts held in the UK and falling within the scope of PAD. PAD sets out requirements applicable to both the transferring payment service provider and the receiving payment service provider conducting the switch, including maximum periods within which certain elements of the switching process must be completed.

Member States may maintain or put in place switching arrangements that depart from those prescribed in PAD provided they are clearly in the interests of consumers, impose no additional burdens on consumers and are completed within the same time frame as that prescribed in PAD.

Basic bank account provision

Consumers legally resident in the EU will have a right to open a payment account with basic features in any EU Member State. Member States can limit the entitlement to those who do not already have an account in their country. Member States can choose to require either all or 'a sufficient number' of credit institutions to provide these accounts. In the UK, HM Treasury will be designating which credit institutions are to be subject to this duty.

Glossary of terms used and abbreviations

The transposition table below features the following terms and abbreviations:

“Commission” means the European Commission;

“EBA” means the European Banking Authority;

“EU” means the European Union;

“FCA” means the Financial Conduct Authority;

“FOS” means the Financial Ombudsman Service;

“FSMA” means the Financial Services and Markets Act 2000;

“Principal Regulations” means the Payment Accounts Regulations 2015;

“RTS” means regulatory technical standards;

Transposition table

Article	Objective	Implementation	Responsible body
Chapter 1 Subject matter, scope and definitions			
Article 1	Sets out the scope of the Directive.	None required.	N/A.
Article 2	Sets out the definitions used in the Directive.	None required.	N/A.
Chapter 2 Comparability of fees connected with payment accounts			
Article 3(1) to (3)	Requires Member States to establish a provisional list of the most representative services linked to a payment account and subject to a fee. Must be communicated to the Commission and EBA by 18 September 2015.	This requirement was complied with administratively: the FCA communicated the list to the Commission and EBA on 18 September 2015.	FCA.
Article 3(4)	Requires EBA to develop draft regulatory technical standards setting out EU standardised terminology for the most representative services linked to a payment account and subject to a fee that are common to at least a majority of member states. Confers power on the Commission to adopt the relevant RTS.	None required.	EBA / Commission.
Article 3(5)	Requires Member States to integrate the EU standardised terminology set out in the RTS into the provisional list produced pursuant to Article 3(1).	Regulation 3 of the Principal Regulations.	FCA.

	Member States are required to publish the resulting final list (“the final list”) no later than three months after the Commission’s adoption of the RTS setting out the EU standardised terminology.		
Article 3(6)	Requires Member States to assess, and where appropriate update the final list within 4 years of the final list’s publication. EBA must be informed of the outcome of the assessment. Following the assessment, EBA may update the EU standardised terminology. Where the EU standardised terminology is updated, member states must update and publish a revised version of the final list.	Regulations 4 (periodic review of the linked services list) and 5 (revision of the linked services list) of the Principal Regulations.	FCA.
Article 4(1)	Requires Member States to ensure that payment service providers provide consumers with pre – contractual information (a “fee information document”) that contains the (1) all the standardised terms set out in the final list produced pursuant to Article 3(5) and (2) where the payment service provider offers any of the services set out in the final list, the corresponding fee.	Regulation 8 (fee information document) of and Schedule 1 (content and presentational formation of the fee information document) to the Principal Regulations, in particular paragraph 2 (content) and 4(a) (on paper or another durable medium) of Schedule 1.	N/A.
Article 4(2)	Sets out the requirements that the fee information document must meet. These include a requirement that the fee information document must include the common symbol prescribed in any implementing technical standards adopted by the Commission pursuant to Article 4(6).	Paragraphs 1 (compliance with implementing technical standards) and 4 (presentational format) of Schedule 1 to the Principal Regulations.	N/A.

Article 4(3)	Requires that the fee information document must disclose the fee for the entire package of services offered in applicable cases.	Paragraph 3 (packages of services) of Schedule 1 to the Principal Regulations.	N/A.
Article 4(4)	Requires Member States to mandate that payment service providers make available to consumers a glossary setting out at least the terms set out in the final list (see Article 3(5) above).	Regulation 6 (glossary) of the Principal Regulations.	N/A.
Article 4(5)	Prescribes requirements as to the availability of the fee information document and the glossary.	Regulation 9 (availability of fee information document and glossary) of the Principal Regulations.	N/A.
Article 4(6)	Requires EBA to develop draft implementing technical standards regarding the presentational format of the fee information document and its common symbol and to submit these to the Commission by 18 September 2016. Commission empowered to adopt any such implementing technical standards.	None required [but note paragraph 1 of Schedule 1 to the Principal Regulations].	EBA/Commission.
Article 4(7)	Requires EBA to review and update the implementing technical standards relating to the standardised presentational format of the fee information document whenever the standardised terminology of the most representative services linked to a payment account and subject to a fee is revised in accordance with Article 3(6).	None required.	EBA/Commission.
Article 5(1)	Requires Member States to ensure that payment service providers provide consumers, free of charge,	Regulation 10 (statement of fees) of and Schedule 2 (content and	N/A.

	<p>with a statement of all fees incurred (including any applicable interest charges) in respect of services linked to their payment account at least annually. This requirement is “without prejudice” to Articles 47 and 48 of the Payment Services Directive and Article 12 of the Consumer Credit Directive. Where applicable, such statements should use the standardised terms set out in the final list published pursuant to Article 3(5).</p>	<p>presentational format of the statement of fees) to the Principal Regulations, in particular provision in paragraph 2 (b) relating to the use of the terms in the linked service list, and provision in paragraph 3(d) to (e) about interest rates.</p>	
Article 5(2)	<p>Requires that the statement of fees must specify a number of matters, including at least the following:</p> <ul style="list-style-type: none"> ❖ The unit fee charged for each service; ❖ A breakdown of the fees charged for services supplied as part of a package; ❖ Any overdraft charges; ❖ Where applicable, the interest rate applied to credit balances and the total amount of interest paid during the relevant period; ❖ The total amount fees charged over the course of the relevant period. 	<p>Paragraph 3 (mandatory information) of Schedule 2 to the Principal Regulations.</p>	N/A.
Article 5(3)	<p>Sets out certain requirements as to the presentational format of the statement of fees and allows Member States a discretion to provide the statement of fees along with other information</p>	<p>Regulation 10(3) of, and paragraph 4 (presentational format) of Schedule 2 to the Principal Regulations.</p>	N/A.

	required pursuant to other EU or national legislative acts on payment accounts and related services.		
Article 5(4)	Requires EBA to develop implementing technical standards regarding a standardised presentational format for the statement of fees and its common symbol. Commission empowered to adopt any such implementing technical standards.	None required.	EBA/Commission.
Article 5(5)	Requires EBA to review and update the standardised presentational format of the statement of fees where the EU standardised terminology in the final list is updated in accordance with Article 3(6).	None required.	EBA/Commission.
Article 6(1), (2)	Requires Member States to ensure that payment service providers use the standardised terminology set out in the final list in their contractual, commercial and marketing material, and permits branding “as a secondary designation of those services”.	Regulation 7 (information for consumers) and 11 (branding) to the Principal Regulations.	N/A.
Article 7(1)	Requires Member States to ensure that consumers have access, free of charge, to at least one comparison website comparing fees charged by payment service providers for at least the services that are included in the final list published pursuant to Article 3(5).	Regulation 12(1) (the comparison website) to the Principal Regulations.	MAS.
Article 7(2)	Permits Member States to require any comparison website that is used for the purposes of complying with Article 7(1) “to include further comparative determinants relating to the level of service offered by	Implementation not required.	N/A.

	the payment service provider”.		
Article 7(3)	<p>Provides that comparison websites “established” in accordance with Article 7(1) must:</p> <ul style="list-style-type: none"> ❖ Be operationally independent by ensuring that payment service providers are given equal treatment in search results; ❖ Clearly disclose their owners; ❖ Set out clear, objective criteria on which the comparison will be based; ❖ Use plain and unambiguous language (and the standardised terminology where applicable); ❖ Provide accurate and up to date information and state the last time the website was updated; ❖ Include a broad range of payment account offers covering a significant part of the market; ❖ Provide an effective procedure to report incorrect information. 	Regulation 12(2) to the Principal Regulations.	MAS.
Article 7(4)	Requires Member States to ensure that information is made available online about the availability of websites.	MAS is a public authority and will be operating the comparison website, so implementation is not necessary.	
Article 8	Requires Member States to ensure that where a payment account is offered	Regulation 13 (payment accounts packaged with	N/A.

	as part of a package with another product or service which is not linked to a payment account, the payment service provider must inform the consumer whether it is possible to purchase the payment account separately, and if it is, must provide “separate information regarding the costs and fees associated with each of the other products and services offered in that package that can be purchased separately”.	another product or service) to the Principal Regulations.	
Chapter 3 Switching			
Article 9	Requires Member States to ensure that payment service providers within their territory offer a switching service that allows payment account holders to switch between accounts held in the same currency and which complies with the requirements of Article 10.	Regulation 14 (provision of a switching service) of and Schedule 3 (switching service) to the Principal Regulations.	N/A.
Article 10(1)	Requires Member States to ensure that the switching service required by Article 9 must comply with a number of specific requirements that are set out in paragraphs 2 to 6 of Article 10. Article 10 also provides that member states may establish or maintain alternative measures provided that those alternative measures are (1) clearly in the interests of the consumer; (2) place no additional burden on the consumer and (3) allow for the switching to be completed within the time	Regulation 14(2) of the Principal Regulations and Schedule 3 to the Principal Regulations. Regulation 15 (alternative arrangements), 16 (designation of alternative arrangements) and Schedule 4 (designation of alternative arrangements) to the	N/A. PSR.

	limits prescribed in paragraphs 2 – 6.	Principal Regulations.	
Article 10(2) to (6)	These paragraphs make provision prescribing the specific steps constituting the switching service and the applicable time limits.	Paragraphs 2 (authorisation), 3 (request from the receiving payment service provider), 4 (tasks for the transferring payment service provider), and 5 (tasks for the receiving payment service provider) of Schedule 3 to the Principal Regulations.	N/A.
Article 11(1)	Member States required to ensure that payment service providers provide consumers seeking to open a payment account in another Member State with the following assistance: <ul style="list-style-type: none"> ❖ a list of all currently active standing orders for credit transfers and debtor – driven direct debit mandates; ❖ available information about recurring incoming credit transfers and creditor – driven direct debit mandates executed on the account during the previous 13 months; ❖ transferal of any credit balance (at the request of the consumer); and ❖ closure of the account. 	Regulation 17(1), (3) and (4) (facilitation of cross-border account opening for consumers) to the Principal Regulations.	N/A.
Article 11(2)	Specifies as maximum time limit of six days for the completion by the payment service provider of the steps set out in Article 11(1)	Regulation 17(2) of the Principal Regulations.	N/A.

	provided that there are no outstanding obligations on the account that prevent that action being taken.		
Article 12(1)	Requires that Member States ensure that consumers are able to access free of charge their personal information regarding existing standing orders and direct debits held by either the transferring or receiving payment service provider.	Paragraph 6(1) (fees connected with the switching service) of Schedule 3 to the Principal Regulations. In relation to alternative arrangements, paragraph 1(1) of Schedule 5 to the Principal Regulations.	N/A.
Article 12(2)	Requires Member States to ensure that the transferring payment service provider does not charge for the provision of to the receiving payment service provider (and where applicable to the consumer) of the list of existing standing orders for credit transfers and available information on direct debit mandates that are being switched and available information about recurring incoming credit transfers and creditor driven direct debits executed on the consumer's account during the last 13 months.	Paragraph 6(2) of Schedule 3 to the Principal Regulations.	N/A.
Article 12(3)	Requires Member States to ensure that ensure that fees, if any, applied by the transferring payment service provider to the consumer for the termination of the payment account held with it are determined in accordance with Article 45(2), (4) and (6) of Directive 2007/64/EC.	Paragraph 6(3) of Schedule 3 to the Principal Regulations. In relation to alternative arrangements, paragraph 1(2) of Schedule 5 to the Principal Regulations.	N/A.

Article 12(4)	Member States shall ensure that fees, if any, applied by the transferring or the receiving payment service provider to the consumer for any service provided under Article 10 (to the extent that Article 10(1) to (3) does not expressly forbid fees being charged) are reasonable and in line with the actual costs of that payment service provider.	Paragraph 6(4) of Schedule 3 to the Principal Regulations. In relation to alternative arrangements, paragraph 1(3) of Schedule 5 to the Principal Regulations.	N/A.
Article 13(1)	Member States shall ensure that any financial loss, including charges and interest, incurred by the consumer and resulting directly from the non-compliance of a payment service provider involved in the switching process with its obligations under Article 10 is refunded by that payment service provider without delay.	Paragraph 7(1) of Schedule 3 to the Principal Regulations. In relation to alternative arrangements, paragraph 2(1) of Schedule 5 to the Principal Regulations.	N/A.
Article 13(2)	Provides that liability under Article 13(1) shall not apply in cases of abnormal and unforeseeable circumstances beyond the control of the payment service provider pleading for the application of those circumstances, the consequences of which would have been unavoidable despite all efforts to the contrary, or where a payment service provider is bound by other legal obligations covered by Union or national legislative acts.	Paragraph 7(2) of Schedule 3 to the Principal Regulations. In relation to alternative arrangements, paragraph 2(2) of Schedule 5 to the Principal Regulations.	N/A.
Article 13(3)	Member States required to ensure that liability under Article 13(1) and (2) is established in accordance with the legal requirements applicable at national level.	Existing provision regarding the claims for breaches of contract and statutory duty will apply.	N/A.

Article 14(1)	Requires Member States to ensure that payment service providers make available to consumers the information specified at points (a) to (e) regarding the switching service.	<p>Paragraph 8(1) (information about the switching service) of Schedule 3 to the Principal Regulations.</p> <p>In relation to alternative arrangements, paragraph 3(1) (information about the alternative arrangement) of Schedule 5 to the Principal Regulations.</p>	N/A.
Article 14(2)	Requires that the information referred to in Article 14(1) shall be made available free of charge on paper or another durable medium at all premises of the payment service provider accessible to consumers, shall be available in electronic form on its website at all times, and shall be provided to consumers on request.	<p>Paragraph 8(2) of Schedule 3 to the Principal Regulations.</p> <p>In relation to alternative arrangements, paragraph 3(2) of Schedule 5 to the Principal Regulations.</p>	N/A.
Chapter 4 Access to payment accounts			
Article 15	Requires Member States to ensure that credit institutions do not discriminate against consumers legally resident in the Union by reason of their nationality or place of residence or by reason of any other ground as referred to in Article 21 of the Charter, when those consumers apply for or access a payment account within the Union. The conditions applicable to holding a payment account with basic features shall be in no way discriminatory.	Regulation 18 (non-discrimination in the provision of payment accounts) of the Principal Regulations.	N/A.

Article 16(1)	<p>Member States are required to ensure that payment accounts with basic features are offered to consumers by all credit institutions or a sufficient number of credit institutions to guarantee access thereto for all consumers in their territory, and to prevent distortions of competition. Also requires member states to ensure that payment accounts with basic features are not only offered by credit institutions that provide payment accounts with solely online facilities.</p>	<p>Regulation 21 (designated credit institutions), 22 (duty to offer a payment account with basic features), and Schedule 6 to the Principal Regulations. In particular in respect of being provided solely with online features see regulation 19(4) of the Principal Regulations.</p>	HMT.
Article 16(2)	<p>Member States are required to ensure that consumers legally resident in the Union, including consumers with no fixed address and asylum seekers, and consumers who are not granted a residence permit but whose expulsion is impossible for legal or factual reasons, have the right to open and use a payment account with basic features with credit institutions located in their territory. Such a right shall apply irrespective of the consumer's place of residence.</p> <p>Member States may, in full respect of the fundamental freedoms guaranteed by the Treaties, require consumers who wish to open a payment account with basic features in their territory to show a genuine interest in doing so.</p> <p>Member States shall ensure that the exercise of the right is not made too difficult or</p>	<p>Regulation 23 (eligibility criteria) to the Principal Regulations.</p>	N/A.

	burdensome for the consumer.		
Article 16(3)	Member States required to ensure that credit institutions offering payment accounts with basic features open the payment account with basic features or refuse a consumer's application for a payment account with basic features, in each case without undue delay and at the latest 10 business days after receiving a complete application.	Regulation 24 (timescale for opening a payment account with basic features) of the Principal Regulations.	N/A.
Article 16(4)	Member States required to ensure that credit institutions refuse an application for a payment account with basic features where opening such an account would result in an infringement of the provisions on the prevention of money laundering and the countering of terrorist financing laid down in Directive 2005/60/EC.	Regulation 25(1) (refusal of application) of the Principal Regulations.	N/A.
Article 16(5)	Member States may permit credit institutions that offer payment accounts with basic features to refuse an application for such an account where a consumer already holds a payment account with a credit institution located in their territory which allows him to make use of the services listed in Article 17(1), save where a consumer declares that he has received notice that a payment account will be closed. In such cases, before opening a payment account with basic features, the credit institution may verify	Regulation 23(1)(a) and 23(2)(b) of the Principal Regulations. Regulation 23(3) of the Principal Regulations.	N/A.

	<p>whether the consumer holds or does not hold a payment account with a credit institution located in the same member state which enables consumers to make use of the services listed in Article 17(1). Credit institutions may rely on a declaration of honour signed by consumers for that purpose.</p>		
Article 16(6)	<p>Member States may identify limited and specific additional cases where credit institutions may be required or may choose to refuse an application for a payment account with basic features. Such cases shall be based on provisions of national law applicable in their territory and shall be aimed either at facilitating access by the consumer to a payment account with basic features free of charge under the mechanism of Article 25 or at avoiding abuses by consumers of their right to access a payment account with basic features.</p>	Regulation 25 (2) of the Principal Regulations.	N/A.
Article 16(7)	<p>Member States required to ensure that, in the cases referred to in paragraphs 4, 5 and 6, after taking its decision, the credit institution immediately informs the consumer of the refusal and of the specific reason for that refusal, in writing and free of charge, unless such disclosure would be contrary to objectives of national security, public policy or Directive 2005/60/EC.</p> <p>In the event of refusal, the credit institution shall</p>	Regulation 25(3) of the Principal Regulations.	N/A.

	advise the consumer of the procedure to submit a complaint against the refusal, and of the consumer's right to contact the relevant competent authority and designated alternative dispute resolution body and provide the relevant contact details.	Regulation 25(4) of the Principal Regulations.	
Article 16(8)	Member States required to ensure that, in the cases referred to in paragraph 4 (i.e. when the account is refused for anti – money laundering reasons), the credit institution adopts appropriate measures pursuant to Chapter III of Directive 2005/60/EC (i.e. the third anti money – laundering directive).	In such instances, credit institutions will be bound by the requirements of the Money Laundering Regulations 2007 (S.I. 2007/ 2157).	N/A.
Article 16(9)	Member States required to ensure that access to a payment account with basic features is not made conditional on the purchase of additional services or of shares in the credit institution, unless the latter is conditional for all customers of the credit institution.	Regulation 19(6) and (7) of the Principal Regulations.	N/A.
Article 16(10)	Member States shall be deemed to comply with the obligations laid down in Chapter IV where an existing binding framework ensures its full application in a sufficiently clear and precise manner so that the persons concerned can ascertain the full extent of their rights and rely on them before the national courts.	The requirements of Chapter IV are implemented by Part 4 (access to payment accounts) of the Principal Regulations. The UK will not rely on existing binding frameworks for the implementation of these requirements.	N/A.
Article 17(1)	Member States shall ensure that a payment account with basic features has the following services:	Regulation 19(1) and (2) (payment account with basic features) of the	N/A.

	<ul style="list-style-type: none"> ❖ services enabling all the operations required for the opening, operating and closing of a payment account; ❖ services enabling funds to be placed in a payment account; ❖ services enabling cash withdrawals within the Union from a payment account at the counter or at automated teller machines during or outside the credit institution's opening hours; ❖ execution of direct debits, payment transactions through a payment card, including online payments, credit transfers including standing order at, where available, terminals and counters and via the online facilities of the credit institutions, all within the Union. <p>Credit institutions are to offer the above services to the extent that they already offer them to consumers holding payment accounts other than a payment account with basic features.</p>	<p>Principal Regulations.</p> <p>Regulation 22(2) of the Principal Regulations.</p>	
Article 17(2)	Member States may require credit institutions established within their territory to provide additional services which are considered essential for consumers based on	Regulation 19(1)(b)(ii), 19(1)(c)(i)(aa), 19(1)(c)(ii) and 19(2) require designated credit institutions to permit withdrawals	N/A.

	practices at a national level, with a payment account with basic features.	and deposits at third party institutions in instances where such access is available to the credit institution's customers who hold accounts which are not payment accounts with basic features.	
Article 17(3)	Member States shall ensure that payment accounts with basic features are offered by credit institutions established in their territory in at least the national currency of the Member State.	Regulation 19(1) of the Principal Regulations.	N/A.
Article 17(4)	Member States shall ensure that a payment account with basic features does not limit the number of operations in relation to the services which must be available with such an account.	Regulation 19(3) of the Principal Regulations.	N/A.
Article 17(5)	Member States shall ensure that credit institutions do not charge any fees beyond reasonable fees, if any, referred to in Article 18 irrespective of the number of operations executed on the account for services in points (a), (b), (c), (d)(ii) of paragraph 1 of this Article excluding payment transactions through a credit card.	Regulation 20(1) (fees) of the Principal Regulations.	N/A.
Article 17(6)	For the services set out in point (d)(i) of paragraph 1 of this Article and point (d)(ii) only as regards payment transactions through a credit card, Member States may determine a minimum number of operations for which credit institutions can only charge the reasonable fees, if any, referred to in	Not applicable. The UK imposes no transaction limit.	N/A.

	Article 18. However, Member States shall ensure that the minimum number of operations is sufficient to cover the personal use by the consumer, taking into account existing consumer behaviour and common commercial practices. The fees charged above the minimum number of operations shall never be higher than those charged under the usual pricing policy of the credit institution.		
Article 17(7)	Member States shall ensure that the consumer can manage and initiate payment transactions from the account in the credit institution's premises and/or via online facilities where available.	Regulation 19(4) of the Principal Regulations.	N/A.
Article 17(8)	Without prejudice to the requirements in Directive 2008/48/EC, Member States may allow credit institutions to provide, upon the consumer's request, an overdraft facility with the payment account with basic features. Member States may define a maximum amount and a maximum duration for any such overdraft. However, access to or use of the account shall not be restricted by or be made conditional on the purchase of such credit services.	Regulation 19(5) of the Principal Regulations prohibits credit institutions from providing overdraft facilities in relation to payment accounts with basic features.	N/A.
Article 18(1)	Member States shall ensure that the services referred to in Article 17 are offered by credit institutions free of charge or for a reasonable fee.	Regulations 20(1) of the Principal Regulations.	N/A.
Article 18(2)	Member States shall ensure that the fees charged to the consumer for non-	Regulation 20(4) and (5) of the Principal Regulations.	N/A.

	compliance with the consumer's commitments laid down in the framework contract are reasonable.		
Article 18(3)	Member States shall ensure that reasonable fees are established taking into account at least the following criteria: <ul style="list-style-type: none"> ❖ national income levels; ❖ average fees charged by credit institutions in the Member State concerned for services provided on payment accounts. 	Regulation 20(3) of the Principal Regulations.	N/A.
Article 18(4)	Without prejudice to Article 16(2) and obligation in paragraph 1 of this Article, Member States may require credit institutions to implement various pricing schemes depending on the level of banking inclusion of the consumer, allowing for, in particular more advantageous conditions for unbanked vulnerable consumers. Member States shall ensure, that in such circumstances, consumers are provided with guidance and adequate information on the available options.	The UK will not be implementing any pricing scheme as outlined in Article 18(4).	N/A.
Article 19(1)	Unless otherwise specified in this Article, framework contracts providing access to a payment account with basic features are subject to Directive 2007/64/EC.	Regulation 26(1) of the Principal Regulations.	N/A.
Article 19(2)	The credit institution may unilaterally terminate a framework contract only where at least one of the following conditions is met: <ul style="list-style-type: none"> ❖ the consumer deliberately used the payment 	Regulation 26(2)(a) to (e) of the Principal Regulations.	N/A.

	<p>account for illegal purposes;</p> <ul style="list-style-type: none"> ❖ there has been no transaction on the payment account for more than 24 consecutive months; ❖ the consumer provided incorrect information in order to obtain the payment account with basic features where the correct information would have resulted in the absence of such a right; ❖ the consumer is no longer legally resident in the Union; ❖ the consumer has subsequently opened a second payment account which allows him to make use of the services listed in Article 17(1) in the Member State where he already holds a payment account with basic features. 		
Article 19(3)	<p>Member States may identify additional limited and specific cases where a framework contract for a payment account with basic features may be unilaterally terminated by the credit institution, which shall be based on provisions in national law applicable in their territory and which are aimed at avoiding abuses by consumers of their right to access a payment account with basic features.</p>	Regulation 26(2)(f) of the Principal Regulations.	N/A.

Article 19(4)	<p>Where a credit institution terminates the contract for the payment account with basic feature by reason of the second, fourth or fifth points in paragraph 2 and paragraph 3, the Member States shall ensure that the credit institution informs the consumer of the grounds and the justification for the termination no less than two months before termination enters into force, in writing and free of charge, unless such disclosure would be contrary to objectives of national security or public policy.</p> <p>If the payment account is terminated in accordance with the first or third points of paragraph 2, the termination will take effect immediately.</p>	<p>Regulation 26(3) and (4) of the Principal Regulations.</p> <p>Regulation 26(5) of the Principal Regulations.</p>	N/A.
Article 19(5)	The notification of termination should advise the consumer of the procedure to submit a complaint against termination and, if any, their right to contact the competent authority and designated resolution body and to provide the relevant contact details.	Regulation 26(7) of the Principal Regulations.	N/A.
Article 20(1)	Member States shall ensure that there are adequate measures in place to raise awareness of the availability of payment accounts with basic features, their general pricing conditions, the	Regulation 27(1) of the Principal Regulations and section 3S of FSMA.	MAS.

	<p>procedures to be followed to exercise the right, and the method for having access to alternative dispute resolution procedures for the settlement of disputes.</p> <p>Member States shall also ensure that communication measures are sufficient and well-targeted, in particular reaching out to the unbanked, vulnerable and mobile consumers.</p>		
Article 20(2)	<p>Member States shall ensure that credit institutions make available to consumers, free of charge, accessible information and assistance about the specific features of the payment account on offer, the associated fees and the conditions of use.</p> <p>Member States shall ensure that the information makes clear that the purchase of additional services is not compulsory in order to access a payment account with basic features.</p>	Regulation 27(3) and (4) of the Principal Regulations.	N/A.
Chapter 5			
Competent Authorities and alternative dispute resolution			
Article 21(1)	<p>Member States shall designate the national competent authorities empowered to ensure the application and enforcement of the Directive and ensure that those national competent authorities are granted investigation and enforcement powers and adequate resources necessary for the efficient and effective performance of their duties.</p>	Regulation 28 (monitoring and enforcement) of the Principal Regulations.	N/A.

	<p>The competent authorities shall be either public authorities or bodies recognised by national law or by public authorities expressly empowered for that purpose in national law. With the exception of national central banks, the competent authorities shall not be payment service providers.</p>		
Article 21(2)	<p>Member States shall ensure that competent authorities, all those in employment whether current or past, including auditors and experts instructed by the competent authority are bound by the obligation of professional secrecy. Competent authorities shall not divulge any confidential information received in the course of their duties to any person or authority, save in summary or aggregate form, without prejudice to cases covered by criminal law or by this Directive. This, however, does not prevent competent authorities from exchanging or transmitting confidential information in accordance with Union and national law.</p>	Paragraph 3 and 9 of Schedule 7 to the Principal Regulations.	N/A.
Article 21(3)	<p>Member States shall ensure that authorities designated as competent for ensuring the application and the enforcement of the Directive are either or both of the following:</p> <ul style="list-style-type: none"> ❖ competent authorities as defined in Article 4(2) of Regulation No 1093/2010; ❖ authorities other than the competent 	None required.	N/A.

	<p>authorities referred to above provided that national laws, regulation or administrative provisions require those authorities to cooperate with the competent authorities above whenever necessary to carry out their duties under this Directive, including cooperating with EBA as required under this Directive.</p>		
Article 21(4)	<p>Member States shall notify the Commission and EBA of the competent authorities and any changes; the first notification shall be made as soon as possible but no later than 18 September 2016.</p>	<p>This requirement will be fulfilled by administrative action by HM Treasury.</p>	N/A.
Article 21(5)	<p>The competent authorities shall exercise their powers in conformity with national law either:</p> <ul style="list-style-type: none"> ❖ directly under their own authority or under the supervision of judicial authorities, or ❖ by application to courts which are competent to grant the necessary decision, including, where appropriate, by appeal, if the application to grant the necessary decision is not successful. 	<p>Regulation 32 (right to refer matters to the Tribunal) of the Principal Regulations. Also the availability of judicial review (see Part 54 of the Civil Procedure Rules).</p>	N/A.
Article 21(6)	<p>If there is more than one competent authority on their territory, Member States shall ensure that their respective duties are clearly defined and that</p>	<p>None required.</p>	N/A.

	those authorities collaborate to discharge their respective duties effectively.		
Article 21(7)	The Commission shall publish a list of the competent authorities in the Official Journal of the European Union at least once a year and update it continuously on its website.	None required.	Commission.
Article 22(1)	<p>Competent authorities of different Member States shall cooperate with one another whenever necessary to carry out their duties under the Directive, making use of their powers, whether set out in the Directive or in national law.</p> <p>Competent authorities shall assist competent authorities of other Member States, in particular exchange information and cooperate in any investigation or supervisory activities.</p> <p>Each Member State shall designate one single competent authority as a contact point for the purposes of the Directive; the Member State shall communicate the name to the Commission and to other Member States.</p>	<p>The FCA is under a duty to co-operate with its counterparts in other Member States pursuant to section 354A of FSMA.</p> <p>HM Treasury will communicate to the Commission and other Member States that the FCA has been designated by HM Treasury administratively as the contact point for the purposes of PAD.</p>	FCA.
Article 22(2)	Member States shall take the necessary administrative and organisational measure to facilitate assistance provided for in paragraph 1.	Measures already in place: FCA established and the Principal Regulations confer the function of competent authority on the FCA.	N/A.
Article 22(3)	Competent authorities which have been designated as contact points shall without undue delay supply one another with	The FCA is under a duty to co-operate with its counterparts in other Member States pursuant to	FCA.

	<p>information required for the purposes of carrying out the duties of the competent authorities as set out in the measures adopted pursuant to this Directive.</p> <p>At the time of exchange of information, the transmitting competent authority may indicate at the time of communication that such information must not be disclosed without their express agreement, in which case such information may be exchanged solely for the purposes for which those authorities gave their agreement.</p> <p>The competent authority designated as the contact point may transmit information received to the other competent authorities</p>	<p>section 354A of FSMA.</p>	
<p>Article 22(4)</p>	<p>A competent authority may refuse to act on a request for cooperation in carrying out an investigation or supervisory activity or to exchange information as provided in paragraph 3 only where:</p> <ul style="list-style-type: none"> ❖ such an investigation, on-the-spot verification, supervisory activity or exchange of information might adversely affect the sovereignty, security or public policy of the Member State addressed; ❖ judicial proceedings have already been initiated in respect of the same actions 	<p>Within the FCA's discretion.</p>	<p>FCA.</p>

	<p>and the same persons before the authorities of the Member State addressed;</p> <ul style="list-style-type: none"> ❖ final judgment has already been delivered in the Member State addressed in respect of the same persons and the same actions. <p>In such circumstances, the competent authority shall notify the requesting competent authority accordingly, providing as detailed information as possible.</p>		
Article 23	<p>Where a request for cooperation, in particular concerning exchange of information, has been rejected or has not been acted upon in a reasonable period of time, the competent authorities may refer to EBA and request EBA's assistance in accordance with Article 19 Regulation 1093/2010. EBA may act in accordance with the powers conferred on it by that Article, and any binding decision by EBA under that Article shall be binding on the competent authorities regardless of whether they are members of EBA.</p>	<p>No implementation required. Article 19 of Article 19 Regulation 1093/2010 sufficient.</p>	<p>FCA/EBA.</p>
Article 24	<p>Member States shall ensure that consumers have access to efficient and effective alternative dispute resolution procedures for the settlement of disputes concerning rights and obligations established under this Directive. These</p>	<p>Part 16 of, and Schedule 17 to, FSMA sets out the statutory framework establishing FOS.</p>	<p>N/A.</p>

	procedures and the entities offering them shall comply with the quality requirements in Directive 2013/11/EC.		
Article 25	Member States may set up a specific mechanism to ensure consumers who do not have a payment account in their territory and who have been denied a payment account for which a fee is charge by credit institutions will have effective access to a payment account with basic features, free of charge.	The UK will not be setting up a specific mechanism for this purpose.	N/A.
Chapter 6			
Sanctions			
Article 26(1)	Member States shall lay down rules on sanctions, which are effective, proportionate and dissuasive, applicable to infringements of the national legislation transposing this Directive and take all necessary measures to ensure that these are implemented.	Regulations 30 (reporting requirements); 31 (power of direction); 33 (public censure); 34 (financial penalties – payment service providers), 35 (disciplinary powers), 37 (financial penalties – general), 38 (injunctions) of the Principal Regulations.	FCA.
Article 26(2)	Member States shall provide that the competent authority may disclose to the public any administrative sanction that will be imposed for infringement of the measures adopted in the transposition of this Directive, unless such would seriously jeopardise the financial markets or cause disproportionate damage to the parties involved.	Regulation 33 (public censure – payment service providers) and regulation 35(4)(b) (disciplinary powers) of the Principal Regulations and Part 26 of FSMA as applied by paragraph 4 of Schedule 7 to the Principal Regulations.	FCA.
Chapter 7			
Final provisions			

	of this Directive, if appropriate, to be accompanied by a legislative proposal.		
Article 29	<p>Member States to adopt and publish law, regulations etc. necessary to comply with this Directive by 18 September 2016.</p> <p>To then apply the measures by 18 September 2016 with the following derogations:</p> <ul style="list-style-type: none"> ❖ Article 3 shall apply from 17 September 2014; ❖ Measures applying Article 4(1) to (5), Article 5(1), (2) and (3), Article 6(1) and (2) and Article 7 nine months after entry into force of the delegated act referred to in Article 3(4); ❖ Where a fee information document already exists, to integrate at least 18 months after the entry into force of the delegated act referred to in Article 3(4); ❖ The same in respect of a statement of fees. <p>When adopting measures, Member States shall contain a reference to this Directive or by a reference on the occasion of their official publication.</p> <p>Member States to communicate to Commission text of the main measures of national</p>	As set out in this Transposition Note.	HMT.

	law which they adopt in the field covered by this Directive.		
Article 30	This Directive shall enter into force on the 20 th day following that of its publication in the Official Journal	No implementation required by Member States.	N/A.
Article 31	This Directive is addressed to Member States.	No implementation required by Member States.	N/A.