

## Application of the 2nd European Payment Services Directive (PSD2) (1)

### **Reference: Increased protection for you when using payment services (cards, transfers, direct debits)**

Dear Customer,

The new provisions resulting from the transposition of the 2nd European Payment Services Directive (PSD2) (1) came into force on 13 January 2018 (2).

PSD2 introduces changes to the regulatory framework applying to retail payment services, to take into account the growth in electronic means of payment, technological advances, new uses emerging in the payment market and the emergence of previously unregulated operators. This directive also increases your rights as a user of payment services.

What are the real implications for you? Here are some examples:

\*In the case of a disputed transaction, the procedures have been simplified with, amongst other things, a response to your claim within 15 days.

\* The amount remaining at your charge when an operation is made following the loss or theft of your card is **reduced from 150€ to 50€**, as per the regulatory conditions that have been fixed.

\* You are informed if we detect fraudulent activity (attempt or actual), or a threat to the security of your means of payment.

\* If you have on-line banking, you will have the option of secure access to services providing information about accounts (aggregators) or payment initiation services.

As soon as the European authorities publish it, a brochure relating to the DSP2 will be accessible online or through your branch.

To take into account all the new regulatory provisions, changes to the general terms and conditions of your account and cardholder agreements apply from 13 January 2018. These general conditions are available in-branch and on our website.

In conjunction with these regulatory changes, we wish to inform you that article 2-4-3 of the general terms and conditions of your account agreement has been amended (3). This amendment will allow the Caisse Régionale to cancel any refund made to you following a payment transaction you may have disputed, in the event, for example, that it was proven that you did in fact authorise the transaction. This provision also applies to your cardholder agreement.

This article shall come into force 2 months after you receive this letter.

The absence of any challenge to this amendment within this time limit implies acceptance on your part. In accordance with the regulations, if you refuse this amendment, you can cancel your account agreement without incurring charges by following the procedures outlined in these general terms and conditions, which will lead to the closure of your account.

Yours Faithfully

Christine BENNETT

CA Britline Branch Manager

(1) Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015

(2) Except for certain rules which will not enter into force until 2019, concerning such matters as the new requirements on strong customer authentication (access to online bank accounts and distance payments)

(3) New Article 2-4-3 of your account agreement: Correcting entries

Due to more widespread use of automated transaction processing, the Caisse Régionale reserves the right in certain cases to reverse a provisionally posted entry, where the action was not intentional.

Where a cheque or other item is rejected, the Caisse Régionale has the option of either debiting the amount from the account of the holder and applying a reversal charge, or registering it as a debit in a special account to allow the option of recourse for either the Holder or the debtor.

The fact that an account statement has been sent showing a temporary entry, as either a credit or a debit, will not prevent subsequent rectification of this entry. Rectifications may also be made to transactions recorded erroneously due to incorrect attribution.

By express agreement, the novation settlement of a current account shall only come into play once the usual verifications have been carried out

The Holder also authorises the Caisse Régionale:

- to reverse any entries resulting from incorrect input or automatically attributed to an account in error due to computer issues;
- where the Caisse Régionale is required to support late rejections, to apply the amount concerned as a debit to the account, as soon as the account status allows.

## Specific provisions applicable to payment services

Under the provisions of article 2.2.3.1 of these general terms and conditions, (i) if it is established that a transaction disputed by the Holder was actually authorised by the latter (or his legal representative) or (ii) if the unauthorised transaction resulted from the loss or theft of a payment instrument or the disclosure of personal security data, and the Caisse Régionale refunded the transaction, the Holder hereby authorises the Caisse Régionale to rectify the refund entry via a reverse entry, i.e. by reassigning a corrective entry in the opposite direction.