

# The Payment Services Directive (PSD)

## What is the Payment Services Directive (PSD)?

The PSD is a European directive that introduces new rules for banks and other professionals with regard to payment services. It has been obligatory in EU member states as well as in Norway, Iceland and Liechtenstein since 1 November 2009, and affects payments made in the currencies of these countries.

## Does the PSD affect you?

Yes, the objective of the PSD is to give clients such as yourself an improved level of protection, by implementing strict rules concerning the execution of your payments and by moving towards greater transparency.

Here at BIL, the importance of providing clear information is nothing new and has always been a priority. It is in this spirit of clarity that we have put together an explanation of the main advantages of the new directive, which you will find below.

## What payments are affected by the PSD?

Within the meaning of the directive, the term "payment services" refers to transfers, standing orders, direct debits, transactions (both withdrawals and payments) carried out by debit or credit card and online banking tools such as BILnet.

## Examples of the advantages provided by the PSD

- **An end to value dates for payments made in an affected currency that pass through a current account**

These payments are debited and credited with the value date of the day of the transaction.

- **Better protection**

The new legislation grants you better protection, particularly with regard to direct debits.

- **Time limits for the execution of transfers**

The directive implements a time limit of three working days for executing transfers within the area comprising the affected countries. BIL goes even further than this and guarantees that your domestic transfers will be executed within one working day.

- **Standardisation of shared responsibility for fees**

Transfers will be carried out according to the shared fees principle (shared responsibility for fees). Banks and intermediaries can no longer deduct their fees from the amount transferred, apart from the fees levied by the beneficiary's bank.