

Guidelines for switching accounts between banks

Account switching means opening a new payment account in another bank, switching payment transactions over to the new bank, and, optionally, closing the old account in the previous bank.

These guidelines¹ are applied for account switching when a consumer customer switches their payment transactions from one Finnish bank to another. Payment transactions here refer to recurring incoming and outgoing credit transfers, SEPA direct debits, e-invoices and direct payments. A payment account refers to an account used for the handling of daily banking.

Banks will help the customer with the process so that the account switching succeeds within the deadlines set down in legislation.

1 Opening an account in the new bank

1. Contact the new bank. Agree on the terms of the customer relationship, the opening of the account, and the services linked to the account.
2. The new bank opens you an account and gives you the terms and conditions and list of service fees. Read the documents carefully and keep them for later reference. They are also available on the bank's website.
3. The new bank gives you an account number.

2 Switching payment transactions from the old account to the new bank

a) If you want the new bank to take care of the switch on your behalf

Customer's duties

1. Authorise the new bank to take care of the switch. The new bank will provide you with a form for this purpose. If the account has other owners in addition to you, the switching will require their consent as well.

In the authorisation, state the account numbers of all the payment accounts that you want to switch over from. You can also authorise the new bank to close these old accounts for you.

You can specify a date on which the switch from the old account to the new account comes into effect. The date must be at least 13 days from the date on which you sign the authorisation.

¹ The guidelines are derived from the provisions on account switching based on Directive 2014/92/EU on payment accounts and chapter 15a of the Finnish Act on Credit Institutions (610/2014, 1054/2016). The provisions on account switching are not applied to, for example, housing loans, ASP accounts, collaterals, fund units or book-entry accounts due to the special legislation and requirements they are subject to.

2. The process of transferring all the payment orders over to the new account is dependent not only on the banks, but also on the schedules of payers (e.g. employer, Social Insurance Institution Kela) and creditors (e.g. municipality, electricity company), and will always take time. During this period, payments may still be charged from your old account. If you have pre-existing payment orders, keep a sufficient amount of funds in the old account. Please note that payments can no longer be charged from an account that has been closed.
3. Inform foreign payers and SEPA direct debit creditors of your new account number according to their instructions.

New bank's duties

According to your authorisation, your new bank:

1. Contacts your old bank and requests a list of your old account's recurring payments (standing orders, SEPA direct debits, direct payments), e-invoices and recurring incoming credit transfers.
2. Discloses your new account number to the regular payers and direct debit creditors that you mentioned in your authorisation.
 - You may also choose to inform such payers/creditors of your new account number yourself. This is often possible to do online at the payer or creditor's website (e.g. pension company, tax authorities, Kela). You can also ask the new bank to provide you with a template letter that you can send to anyone who needs to know your new account number.
3. Moves e-invoice and direct payment orders over from the old account to the new account.
4. Moves standing orders to the new payment account.
5. Asks your old bank to discontinue all recurring payments made from your old account, and, if you want, also asks it to close the old account and transfer all remaining funds to your new account.

The new bank may need you to provide additional information on payments. The new bank will register the payment orders within five days of receiving the necessary information.

Old bank's duties

Your old bank:

1. Discloses the information requested in the authorisation to the new bank within five days of receiving the request.
 - You can also request a copy of all the disclosed information.
2. Discontinues the recurring payments linked to your old account and, if you want, transfers all remaining funds to your new bank and closes the old account.

- If you have, in your authorisation to your new bank, chosen the closure of the old account and the transfer of the remaining funds, the old bank will carry out these measures without additional request from you.

Closure of the old account and copies of the information requested in the authorisation are free of charge to the customer.

b) If you want to take care of the switch yourself

1. Tell your new account number to everyone who you regularly receive payments from (e.g. salaries, pensions).
 - This can often be done online at the payer's website.
 - If you have given SEPA direct debit mandates to creditors, remember to inform them of your new account number as well.
2. Subscribe to the e-invoices you want to receive in the new bank's online service. Contact the new bank if you have existing direct payment orders. The changes will have automatic effect in the systems of the creditors they concern. Remember to key in all standing payment orders on the new account as well.
3. Close your old account, if you want to.

Terminate the old account agreement according to its terms and conditions. If the account has other owners in addition to you, closing it will require their consent as well.

Closing the account will also terminate the online banking contract at your old bank, so remember to save and/or print out all the information archived in the system (e.g. online account statements). Keep in mind that account statements are officially accepted documents in taxation, for example.

Agree with the old bank on the transfer or withdrawal of the remaining funds.

- Any future payments made to the closed account will be returned back to the payers.

3 Switching to a bank in another EEA state

If you want to switch accounts from a Finnish bank to a bank that is domiciled in another state in the European Economic Area (EEA), you will need to give your old bank a mandate to take care of the necessary measures.

Your old bank:

1. Provides you with a list of all standing orders, e-invoices, direct payments, and recurring incoming payments within the last 13 months. This list is free of charge.
2. Transfers the old account's remaining funds to the new account as SEPA credit transfer.
 - Remember to inform your old bank about your new account number.

3. Closes your old account, if you want it to. Please note that a bank domiciled in another EEA state is not obliged to provide the corresponding services as your Finnish bank.
 - Save and/or print out all the information archived in the online bank (e.g. online account statements).
 - Tell your new account number to everyone who regularly makes payments to you. Any future payments made to the closed account will be returned back to the payers.
 - The reception of e-invoices and direct payments will end. Finnish creditors do not provide cross-border e-invoice or direct payment services. SEPA direct debit provision depends on the creditor in question.

4 Can something prevent the closing of the old account?

The old account cannot be closed if, for example, the account has a negative balance, the payment cards linked with the account have not been returned to the issuer bank, or there are payment orders that are awaiting execution.

The old bank will notify you without undue delay if the account cannot be closed due to outstanding commitments.

5 Customer service

When you give the new bank a mandate authorising it to take care of the account switching process, the new bank is your primary contact in any questions related to the mandate or the measures that the switching involves.

6 Out-of-court redress

Disputes relating to account switching can be referred to the Finnish Financial Ombudsman Bureau FINE (www.fine.fi), its Banking Complaints Board, or to the Consumer Disputes Board (www.kuluttajariita.fi).

Banks' operations are supervised by the Finnish Financial Supervisory Authority (www.finanssivalvonta.fi) and, in consumer-related matters, also by the Finnish Competition and Consumer Authority (www.kkv.fi).