
Information for customers regarding the switching service for consumers in accordance with the Consumer Payment Account Act (Verbraucherzahlungsgesetz – VZKG)

The Consumer Payment Account Act (Verbraucherzahlungsgesetz – VZKG) requires credit institutions to share with consumers legally required information about account switching services. The relevant information is detailed below. After obtaining the relevant authorization from you, the receiving credit institution will perform the account switching. In the case of two or more holders of the account, authorization shall be obtained from each of them.

A) Account Switching Process

Within 2 business days after you engage the account switching service, the receiving credit institution requests the transferring credit institution to take the following steps, provided your authorization allows for it:

- a) Transmit to the receiving credit institution and, if specifically requested by you, also to you, a list of the existing standing orders and available information on direct debit mandates that are being switched;
- b) Transmit to the receiving credit institution and, if specifically requested by you, also to you, the available information about recurring incoming credit transfers and creditor-driven direct debits executed on your payment account in the previous 13 months;
- c) Stop accepting direct debits and incoming credit transfers as of the date stated in the authorization.
- d) Cancel standing orders with effect from the date specified in the authorization;
- e) Transfer any remaining positive balance to the account opened or held with the receiving credit institution on the date specified by you; and
- f) Close the payment account held with the transferring credit institution on the date specified by you.

Upon receipt of a request from the receiving credit institution, the transferring credit institution shall carry out the following tasks, if provided for in your authorization:

1. Send **within five business days** the list of current standing orders and available information on direct-debit mandates being transferred during the account switching, as well as the available information on recurring incoming credit transfers and creditor-driven direct debit on your payment account within the last 13 months to the receiving credit institution;
2. Stop accepting any more incoming credit transfers and direct debits on the payment account as of the day stipulated in the authorization;
3. Cancel standing orders with effect from the date specified in the authorization;
4. Transfer any remaining positive balance from the payment account to the payment account opened or held with the receiving credit institution on the date specified in the authorization;
5. Close the payment account on the date specified in the authorization, provided you have no outstanding obligations on that payment account and provided that the actions listed in points (a,) (b) and (d) of this paragraph have been completed. The transferring credit institution shall immediately inform you in the event that outstanding obligations prevent your payment account from being closed.

Within **five business days** of receipt of the information requested from the transferring credit institution, the receiving credit institution shall, as and if provided for in the authorization and to the extent that the information provided by the transferring credit institution or you enables the receiving credit institution to do so, carry out the following tasks:

- a) Set up the standing orders for credit transfers requested by you and execute them with effect from the date specified in the authorization;
- b) Make any necessary preparations to accept direct debits and accept them with effect from the date specified in the authorization;
- c) Inform you, if applicable, about accruing fees and your rights in accordance with Article 5, Par. 3, Subpar. b of Regulation (EU) 260/2012 about the options for management of mandates;
- d) Inform payers specified in the authorization and making recurring incoming credit transfers into your payment account of the details of your new payment account with the receiving credit institution and transmit to the payers a copy of your authorization. If the receiving credit institution does not have all the information it needs to inform the payers, it shall ask you or the transferring credit institution to provide the missing information;

- e) Inform payees specified in the authorization and using a direct debit to collect funds from your payment account of the details of your new payment account with the receiving credit institution and the date from which direct debits are to be collected from that payment account, and transmit to the payees a copy of your authorization. If the receiving credit institution does not have all the information it needs to inform the payees, it shall ask you or the transferring credit institution to provide the missing information;
- f) In the event that you choose to personally provide the information referred to in points (d) and (e) of the first subparagraph of this paragraph to the payers or payees rather than provide specific consent to the receiving credit institution to do so, the receiving credit institution shall provide you with standard letters providing details of the new payment account and the starting date specified in the authorization.

B) Fees connected with the account switching service

1. The transferring and the receiving payment service provider shall ensure that consumers can access free of charge their personal information regarding existing standing orders and direct debits held by either the transferring or the receiving payment service provider.
2. The transferring payment service provider shall transmit the information requested by the receiving payment service provider in accordance with Article 17, Par. 1, Subpar. 1 without charging the receiving payment service provider or the consumer a fee.
3. The transferring payment service provider may charge the consumer a fee for cancellation of the payment account held with it, only if
 - a. the framework contract was entered into for a maximum period of twelve months,
 - b. the fee was stipulated within the framework contract in accordance with Article 28, Par. 1, Subpar. 3 lit. a, ZaDiG (Payment Services Act) and is reasonable and based on the actual costs of the payment service provider, and
 - c. cancellation does not occur before an amendment to the framework contract in accordance with Article 29, Par. 1, Subpar. 2 lit. b ZaDiG goes into effect.
4. For all other services which the transferring or the receiving payment service provider must provide under the provisions of this Chapter in connection with account switching, the consumer may be charged fees only if
 - a. they were agreed upon in advance in accordance with Article 28, Par. 1, Subpar. 3 lit. a, and
 - b. are reasonable and based on the actual costs of the relevant payment service provider.

C) Information on alternative dispute resolution procedures

Kathrein strives to provide its customers with high-quality banking services and to address their concerns and requests, and meet their demands as best as possible. In the event a customer has reason for complaint, Kathrein will review the complaint immediately. Customers should either contact their relationship manager, or if no satisfactory solution can be reached, the management /the Office for Complaints of Kathrein.

In addition, customers can submit their complaint to the Gemeinsame Schlichtungsstelle der österreichischen Kreditwirtschaft (Joint Conciliation Board of the Austrian Banking Industry), Wiedner Hauptstraße 63, 1045 Vienna, or by phone at +43 1 505 42 98 or by e-mail to office@bankenschlichtung.at. Customers can also direct their complaint to the Financial Market Authority (Finanzmarktaufsicht, FMA), 1020 Vienna, Praterstraße 23. Disputes regarding account management or payment services fall within the jurisdiction of regular courts of law and will be governed by Austrian law. The place of jurisdiction for Kathrein is the Commercial Court in Vienna.