



## Company News

# **New directive prevents Gard from covering beneficiaries' bank charges in the EU and EEA**

Gard has in place a banking arrangement whereby Gard in certain circumstances covers the cost of payments, including those incurred by the beneficiary's bank. This has allowed payments to be received in full by the beneficiary, without deduction of fees.

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The revised Payment Services Directive (PSD2) entered into force in the European Union (EU) and the European Economic Area (EEA) on 13 January 2018. The Directive regulates payment services and payment service providers throughout the EU and the EEA.

As a result of the entry into force of the revised Directive, Gard is no longer able to cover bank charges incurred by the recipients of payments made to beneficiaries with bank accounts located in the EU and EEA. This cost and therefore the deduction, will vary according to the beneficiary's own bank charges and will reduce the amount received accordingly. Gard will continue to meet our own costs of transmitting payments.

Our payments to the rest of the world will remain unaffected.

We apologise for any inconvenience this may cause, however, the change is mandatory within the EU and EEA and hence unavoidable.

Any questions regarding the above may be addressed to [Geir Sandnes](#) , Vice President, Claims, [Tim Kampevoll Mathiassen](#) , Team Leader, Finance and Risk Management, or your usual contact in Gard.

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