

Account switching



Switching your accounts

Planning to switch your regular payments from an old account to a new one? Here's a step-by-step guide.

These guidelines:

- Provide you with the steps to switch your regular payments to your new account at another bank, credit union or building society.
- Outline the four easy steps you should take to set up the new payment arrangements.
- Provide tips for a smooth change-over
- Have some easy to use forms to send to the organisations that make payments to – or withdraw money from – your account.

Step one

OPEN A NEW ACCOUNT

Step two

IDENTIFY YOUR REGULAR PAYMENTS
TO AND FROM YOUR OLD ACCOUNT

Step three

RE-ESTABLISH THE REGULAR
PAYMENTS ON THE NEW ACCOUNT

Step four

CLOSE YOUR OLD ACCOUNT

Switching your accounts

If you want to make the switch yourself:

1. Open an account with the new financial institution

2. Identify your regular payments to and from your old account

This requires a bit of planning. Review your bank statements to identify all regular payments to and from your old account (the 'credits' and 'debits') or ask your old financial institution to issue you with a list of regular payments. Regular debits to your account could be phone bills and insurance. Regular credits that you could receive could be your salary. Payment cycles range from weekly and monthly, to quarterly and yearly, so you will need to look back at least 13 months.

There are four kinds of regular payments to be identified:

- Debits and credits as mentioned above;
- Periodical payments are standing instructions given to your financial institution (i.e. weekly payment for rent)
- Recurring payments are made by your providers or merchants where you have supplied your Visa Debit or MasterCard debit card number and;
- 'Pay anyone' are payments you make using your financial institution's internet banking service (e.g. paying child's pocket money). Before you close your old account you should access your internet banking account to print out your 'pay anyone' list.

3. Re-establish your payments on the new account

Now you're ready to contact each organisation that makes regular credits and debits to your account and ask them to change your account details in their records. Either:

- contact the organisation by phone, mail or internet and follow their instructions; or
- complete and post a 'change advice' letter to each organisation. Samples are shown in this pack on pages 5 and 6. The change advice letters are available on APCA's website (www.apca.com.au) and can be completed online.

For other payments:

- If you make periodical payments, ask your new financial institution to set them up on the new account.
- If you have recurring payments, advise your provider or merchant of your new debit card number.
- If you use the internet banking to make payments yourself, set up your 'pay anyone' details on the new account.

And of course don't forget to tell your employer your new account details to ensure your salary gets paid into it.

4. Close your old account

Once you're sure all your regular direct debits and credits have been successfully re-established on your new account, you can close the old account.

Tips for a smooth change-over

Once the organisations have been advised of your change in account details, you should:

- Make sure you have enough money in your old account to cover current payments until all regular payments have been re-established on your new account
- Look at your new account when you expect the next regular debit or credit to appear and contact the organisation if the payment does not appear on your new account or continues to appear on your old account
- Close your account with the old financial institution as soon as your regular payments appear on your new account.

Financial institutions have no control over when the organisations that make credits and debits to your account will update their records.

Following these tips should ensure you are not charged additional fees such as dishonour fees and account overdrawn fees.

Remember the organisations that make credits and debits to your account will contact you for new instructions if these regular payments fail.



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