

RULES FOR THE PRESENTATION OF ELECTRONIC INVOICES TO PAYERS

1. TERMS AND DEFINITIONS

Terms used in the Rules:

Rules means these Rules for the Presentation of Electronic Invoices to Payers, which establish the standard terms and conditions that must be followed by payment service providers, who have entered into an agreement for the presentation of electronic invoices to payers, in receiving electronic invoices from service providers and transferring them to payers' payment service providers as well as by the latter in presenting them to payers.

Agreement for the presentation of electronic invoices to payers (hereinafter referred to as "the Agreement") means the agreement concluded by the service provider, by signing of which the service provider undertakes to other parties to the Agreement to follow the Rules. All other payment service providers who have signed the Agreement are the parties to the Agreement. The form of the Agreement constitutes Annex 2 to these Rules.

Technical standard means the document, in which the Technical Conditions for the Presentation and Receipt of Electronic Invoices are established and which constitutes Annex 1 "E-Invoice Technical Standard".

Payment service provider (hereinafter may also be denoted by the abbreviation "PSP") means a legal entity, who has the right to provide payment services in accordance with the Law on Payments of the Republic of Lithuania.

Member means a payment service provider who has entered into the Agreement.

E-invoice means the electronic invoice of the beneficiary intended for the payer, which shall be presented in accordance with the requirements of the Technical Standard with the participation of the member.

Partial invoice means the electronic invoice, in which information is provided in a scope narrower than in the Technical Standard.

E-invoice presentation address means the account number of the payer's payment service provider in IBAN format.

Request for the presentation of an e-invoice (hereinafter referred to as "the Request") means the request presented to the payee of the payer to own payment service provider for sending e-invoices by the e-invoice presentation address.

E-invoice agreement means the agreement concluded by the payee and the member, which establishes the mutual rights and obligations of the payee and the member in receiving and transferring e-invoices intended for payers.

Payer means the client of the member (natural or legal person) who presents the Request.

Payee means the person supplying goods or providing services to the payer and presenting an e-invoice to the payer for that.

Operator means the legal person who acts on behalf of the payee or the member in presenting or receiving e-invoices.

Electronic channel means the payment instrument, by using which a payer can review an e-invoice and initiate its payment (e.g. internet bank, mobile internet bank, etc.).

Payment term means the date indicated in the e-invoice, by which it must be paid.

Automatic credit transfer means the transfer of funds initiated by the payer in paying the invoices presented by the payee, which is performed by the payer's payment service provider in accordance with an advance order of the payer.

Working day means a day which is not an official day-off or holiday in accordance with the laws of the Republic of Lithuania.

Committee means the committee of the Association of Lithuanian Banks for the supervision of the Rules for the Presentation of Electronic Invoices to Payers, which is established and whose Work Regulations are approved by a decision of the General Meeting of the Association of Lithuanian Banks.

2. GENERAL PROVISIONS

2.1. The Rules establish the procedure, according to which the members exchange electronic notifications in presenting e-invoices to payers as well as establish requirements for payment service providers intending to enter into the Agreement and the procedure for the conclusion and termination of the Agreement.

2.2. The Rules also establish the technical specifications for the exchange of electronic notifications, which are set out in the Technical Standard and are mandatory for all the members.

2.3. The Agreement may be entered into by all the PSP who have the right to provide payment services in the Republic of Lithuania and meet other requirements established in Chapter 4 of the Rules.

2.4. The Rules and the Technical Standard, including all subsequent amendments thereto, are mandatory for all the members.

2.5. The currency of the payable amount to be indicated in an e-invoice shall be the euro.

3. PROCESS OF THE PRESENTATION AND PAYMENT OF E-INVOICES

3.1. The process of the presentation and payment of an e-invoice involves:

- the payee;
- the payer;
- the payer's PSP who is a member;
- the payee's PSP who is a member;
- the operator (optionally);

the payment service providers of the payer and the payee may coincide.

3.2. Each member must transfer the e-invoices presented by the payees with whom that member concluded an e-invoice agreement to the payers who indicated the e-invoice presentation address with any member.

3.3. The payee may present e-invoices directly to the member or indirectly – by using the services of the operator.

3.4. E-invoices must comply with the Technical Standard.

3.5. The scheme of the presentation and payment of an e-invoice is provided in Annex 3 to these Rules.

3.6. The actions indicated in the electronic notifications established in the Technical Standard must be performed by the member on the same working day when the notifications are provided by 12:00 and not later than the next working day when they are provided after 12:00.

3.7. The payee's PSP shall present the e-invoices to the payer's payment service provider not later than 3 (three) calendar days before the e-invoice payment term. In the case of the late presentation of the e-invoice, the payer's PSP may reject it.

3.8. The payer's PSP shall present the e-invoices to the payer not later than 2 (two) calendar days before the e-invoice payment term. In the case of the late presentation of the e-invoice due to delay by the payee's PSP, the payer's PSP shall reject it.

4. REQUIREMENTS FOR A PAYMENT SERVICE PROVIDER WILLING TO BECOME A MEMBER

- 4.1. A PSP willing to become a member must:
- 4.1.1. hold an effective licence of a payment service provider (payment institution) granting the right to provide payment services in the Republic of Lithuania;
 - 4.1.2. enter into the Agreement;
 - 4.1.3. ensure necessary infrastructure and its appropriate functioning as established in the Rules.

5. DUTIES OF THE PAYER'S PSP WHO IS A MEMBER

5.1. The payer's PSP shall present accepted e-invoices to payers by an electronic channel if the payer uses electronic channels or in payment service provision offices if the PSP provides such a service.

5.2. The payer's PSP must accept e-invoices from the payee and the payee's payment service provider.

5.3. Upon receipt of e-invoices, the payer's PSP shall provide a reply to the payee's payment service provider, who is a member, in accordance with the procedure established in the Technical Standard, within the time limit established in Paragraph 3.6 of the Rules.

5.4. Upon receipt of information on a new payee from the payee's payment service provider, the payer's PSP shall provide the payers, not later than within 14 (fourteen) calendar days, with the possibility to receive and pay the e-invoices of the payee.

5.5. Upon receipt of information from the payee's payment service provider that the payee wishes to receive requests from payers (if the payer's PSP provides such a service to payers), the payer's PSP shall provide the payers, not later than within 14 (fourteen) calendar days from the day of receipt of the information specified in Paragraph 5.4, with the possibility to present requests to the payee.

5.6. Upon receipt of information on the termination of the e-invoice agreement with the payee from the payee's payment service provider, the payer's PSP shall immediately deny for the payers the possibility to present requests.

5.7. The payer's PSP shall present the accepted request to the payee or to the payee's payment service provider, who is a member, by the method established in the Technical Standard.

5.8. The payer's PSP shall accept the payer's requests regarding the termination of the sending of the e-invoice and shall send the notification to the payee or the payee's payment service provider as established in the Technical Standard.

6. DUTIES OF THE PAYEE'S PSP WHO IS A MEMBER

6.1. The payee's PSP shall transfer the e-invoices of the payees, with whom the PSP has concluded e-invoice agreements, to its own and other members' payers either itself or through the operator.

6.2. The payee's PSP shall inform the members of the new payee, who has entered into the e-invoice agreement, or of the termination of the e-invoice agreement with the payee.

6.3. The payee's PSP shall inform the members of the willingness of the payee to accept the payer's Requests.

6.4. In the e-invoice agreement with the payee, the payee's PSP shall provide for the duty of the payee to inform the payer if an e-invoice according to the presented request will not be presented to the payer and to specify the reasons for such refusal to present an e-invoice.

6.5. In the e-invoice agreement with the payee, the payee's PSP shall establish the duty of the payee to send e-invoices only by the last e-invoice presentation address of the payer indicated to the payee.

6.6. In the e-invoice agreement with the payee, the payee's PSP shall establish the duty of the payee to present partial invoices in the cases established by laws.

6.7. The payee's PSP shall inform the other members of the reorganisation or other transformation of payees if such information is known to the PSP. Upon receipt of such information, the payer's PSP shall coordinate the conditions of changes with the payee's payment service provider.

7. OPERATOR

7.1. The payee and the member may use the services of the operator in accordance with a separate agreement.

7.2. If the member uses the services of the operator, the member shall ensure that the activities of the operator comply with the Rules.

8. REQUIREMENTS FOR A PAYER WISHING TO RECEIVE E-INVOICES

A payer wishing to receive e-invoices shall have an account in IBAN format with the member and submit the Request.

9. SERVICES PROVIDED TO THE PAYER BY THE PAYER'S PAYMENT SERVICE PROVIDER, WHO IS A MEMBER

9.1. With regard to the services provided by the payer's payment service provider and their conditions, the payer may be granted the possibility:

9.1.1. to provide the Requests in the office of the payment service provider or by the electronic channel if the payment service provider provides such a service and the payee wishes that the payment service provider accepts the Requests;

9.1.2. to provide requests for the termination of the receipt of e-invoices;

9.1.3. to receive and review e-invoices;

9.1.4. to pay an e-invoice by a one-off credit transfer;

9.1.5. to pay e-invoices by an automatic credit transfer on the terms agreed upon with his payment service provider (if the payer's payment service provider provides such a service);

9.2. the payer's PSP shall provide the payer with the possibility to receive information on the presented e-invoice by at least two channels (e.g. by e-mail, SMS message, mobile internet bank (*Apps*), internet bank, etc.);

9.3. the payer's PSP shall inform the payer of the procedure for the termination of the e-invoice sending service.

10. E-INVOICE PAYMENT METHODS

10.1. The payer can pay the received e-invoice by a one-off credit transfer, automatic credit transfer, and other methods. The payer can agree with his PSP on the day of the performance of the automatic credit transfer (e.g. a specific day, at the end of a certain period, the day when the payer provides funds to his payment service provider). Credit transfers shall be performed within the time limits established in the Law on Payments of the Republic of Lithuania.

10.2. At the request of the payer, the PSP shall establish the limit for the amount of the automatic credit transfer. The payer and the PSP may also agree on other terms and conditions of the automatic credit transfer.

10.3. If the payer pays an e-invoice with the use of the electronic channel, the payer shall be provided with the possibility to choose payment either by a one-off credit transfer or by an automatic credit transfer (if the payer's PSP provides such a service). The payer can choose the payment of an e-invoice using an automatic credit transfer by expressing his will by the electronic channel, in the client service office or, subject to agreement between the payee and his PSP, in the payee's office.

10.4. At the request of the payer, if the payer's PSP provides such a service, the e-invoice payable by an automatic credit transfer may be paid partially.

11. REPAYMENT PROCEDURE

11.1. Not later than within 5 (five) working days from the day of receipt of the requirement, the payee's PSP shall repay to the payer's payment service provider the funds debited from the payer's account by performing an automatic credit transfer if the payer, who is a consumer, within eight weeks from the day when the funds were debited from the account, has submitted to his payment service provider a request to repay the funds and both following conditions are satisfied:

11.1.1. when authorising the automatic credit transfer transaction, the exact amount of the credit transfer transaction was not specified;

11.1.2. the amount of the automatic credit transfer transaction is greater than the amount which could be reasonably expected by the payer with regard to his previous expenses and other circumstances. If the payer, when instructing the payment service provider to perform an automatic credit transfer, specifies the maximum permissible amount of such a transaction (for a single automatic credit transfer transaction or several such automatic credit transfer transactions to be performed during a certain period of time), it is considered that the payer could reasonably expect that very maximum amount of those transactions.

11.2. In the case established in Paragraph 11.1 of the Rules, the payer's PSP shall provide the payee's payment service provider, together with the request to repay the funds, with the data on the conditions provided for in Paragraphs 11.1.1 and 11.1.2.

11.3. The payer does not have the right to the repayment of funds debited by means of an automatic credit transfer if the payee's PSP presented the e-invoice, through the payer's payment service provider, not less than four weeks before the performance of the planned automatic credit transfer.

11.4. Paragraphs 11.1 – 11.3 of the Rules shall apply only in the case when the payer is a natural person.

11.5. Not later than within 7 (seven) working days from the presentation of the demand of the payer's PSP, the payee's PSP shall return to the payer's payment service provider the funds, which the payer transferred to the payee by an automatic credit transfer if the payer, not later than within 13 (thirteen) months from the day of the debiting of the funds from the account, presents a claim concerning the unlawful debiting of funds to his payment service provider. The payee's PSP has the right not to repay the funds if:

11.5.1. the payer missed the time limit for the presentation of a claim established in this paragraph;

11.5.2. by the funds repayment term specified in this paragraph, the payee's PSP proves that the payer's PSP improperly performed the obligations established in Paragraph 6.1 of the Rules;

11.6. in the case established in Paragraph 11.5 of the Rules, the payer's PSP provides the payee's payment service provider, together with the request to repay the funds, with the payer's claim and data of the automatic credit transfer.

12. PERSONAL DATA PROCESSING. CONFIDENTIALITY OF INFORMATION

12.1. The members must provide personal data to each other following the rules and procedure established in the Rules.

12.2. The members shall provide personal data to each other in accordance with Items 1 and 2 of Paragraph 1 of Article 5 of the Law on Legal Protection of Personal Data of the Republic of Lithuania.

12.3. Each member shall use the data received from another member, which are specified in the Rules, only in observance of the Rules when such data are considered as personal data according to laws. A member may not process personal data received from another member for any purposes not compatible with the purpose of the use of personal data specified in this paragraph. A member has the right to authorise a data processor to process data received in accordance with the Rules provided that it is related to personal data processing for the purpose established in this paragraph.

12.4. Each member, in the cases established by laws, must inform the State Data Protection Inspectorate of personal data processing and to register himself as a data controller in the State Register of Personal Data Controllers.

12.5. A member providing personal data shall be responsible for their accuracy, truthfulness, and protection until the data are received by another member.

12.6. The members shall implement, at their own expense, appropriate organisational and technical means for the protection of personal data received from other members against accidental or unlawful destruction, change, disclosure, and any other unlawful processing. The aforementioned means shall ensure such security, which would meet the character of the stored personal data and the risk posed by their processing.

12.7. Having received personal data from another member, the member shall be responsible for the confidentiality and security of the received personal data from the moment of receipt of the personal data. If a threat has been identified or there are reasonable suspicions of a threat to the confidentiality of personal data being provided and/or if the member who has received personal data improperly ensures the security of personal data that are being provided (have been provided), the member providing personal data has the right, having informed the member receiving data to that effect, to suspend the provision of personal data until the member receiving data eliminates the threats to the security of personal data.

12.8. Each member shall ensure that his employees processing personal data received from other members are familiarised with the duty to protect personal data.

12.9. The members have the right to store personal data for a period of time not longer than it is required for the purposes of the processing of the data. When personal data are no longer required for the purposes of their processing, they shall be destroyed, except for the cases established by laws.

12.10. The member providing personal data has the right to require that the member receiving the personal data should provide information and/or documents necessary in order to ascertain that the latter properly executes the requirements for personal data protection established in the Rules and legislative acts. The member who has received data shall provide that information and/or documents, within a reasonable period of time, to the member who provided the data.

12.11. If the member providing personal data finds that the member receiving the personal data improperly executes the requirements for personal data protection established in the Rules and legislative acts or if he has not received information and documents proving the proper execution of the requirements for personal data protection from the data receiving member, the former has the right to suspend the provision of personal data and inform the data receiving member to that effect. When the personal data receiving member has eliminated the infringements, the data providing member may resume the provision of personal data.

12.12. The data providing member shall inform the data receiving member about the correction of incorrect, incomplete, or inaccurate personal data transferred to him not later than

within 5 (five) working days from the day of the correction of such data.

12.13. If the personal data receiving member finds that the data transferred to him according to the Rules are incorrect, incomplete, or inaccurate, he shall inform to that effect the member who provided the personal data by providing explanations of the circumstances not later than within 5 (five) working days. Having received that information, the member who provided the personal data must check it within 5 (five) working days and, if that information proves true, correct the incorrect, incomplete, or inaccurate personal data and, not later than within 5 (five) working days, inform to that effect the member who received the data.

12.14. Each member undertakes to keep secret the information related to the payers and payees received from another member in observance of the Rules and not to disclose it to any other parties without the consent of the member who provided the information, except for the cases established in the Rules and laws.

13. ANNOUNCED OF THE RULES AND THE TECHNICAL STANDARD. INTELLECTUAL PROPERTY

13.1. The Rules and the Technical Standard shall be announced to the public on the website www.lba.lt of the Association of Lithuanian Banks (hereinafter may also be denoted by the abbreviation “LBA”).

13.2. The intellectual property rights to the Rules and the Technical Standard are owned by the Association of Lithuanian Banks.

14. SUPERVISION AND AMENDMENT OF THE RULES AND THE TECHNICAL STANDARD

14.1. The supervision of the Rules and the Technical Standard shall be performed by the committee. The Committee shall be set up pursuant to the procedure established in the Statute of the Association of Lithuanian Banks. The operational activities of the Committee shall be regulated by the Work Regulations of the Committee approved by the Association of Lithuanian Banks.

14.2. The Committee has the right to establish for all the members who are members of the Association of Lithuanian Banks obligatory regulatory or one-off fees for the supervision of the Rules and the Technical Standard. The established fees shall be paid to the Association of Lithuanian Banks. The Association of Lithuanian Banks shall inform the members who are members of the Association of Lithuanian Banks about the established fees and their payment procedure not later than within 2 (two) months.

14.3. Each member has the right to propose amendments to the Rules or the Technical Standard by providing his proposals to the Association of Lithuanian Banks.

14.4. Having received the proposals specified in Paragraph 14.3, the LBA shall send them for review to all members and operators. The members and operators have the right to provide reasoned proposals and comments within 14 (fourteen) calendar days.

14.5. The Rules and the Technical Standard may be amended by a decision of the Committee with regard to the proposals and comments of the members and operators. The LBA shall announce amendments to the Technical Standard to the public on the website www.lba.lt at least 6 (six) months before the day of the entry into force of the amendments to the Technical Standard, unless the Committee decides otherwise.

15. PROCEDURE FOR ENTERING INTO THE AGREEMENT

15.1. The Agreement may be entered into only by those payment service providers who

comply with the requirements established in Chapter 4 of the Rules.

15.2. The PSP willing to enter into the Agreement shall arrive to the Association of Lithuanian Banks and sign the Agreement in the form established in Annex 2 to the Rules. The representative signing on behalf of the payment service provider shall present the document proving his powers and other documents certifying that the payment service provider complies with the requirements of the Rules. Entering into the Agreement is free of charge.

15.3. The LBA shall inform of a new member on the website www.lba.lt within 5 (five) working days after the LBA receives from the member all the documents established in the Rules.

15.4. A member has the right to require that the other member should enter into a bilateral agreement on the terms and conditions of the presentation of e-invoices and repayment of funds to payers. The terms and conditions of the bilateral agreement sought by the member shall be reasonable and justified. If one of the members refuses to enter into the bilateral agreement, the refusal shall be presented in writing, with indication of the specific requirements that are not met by the member.

15.5. The member who has entered into the Agreement acquires the right to present e-invoices to other members and the obligation to accept, and present to the payer, e-invoices sent from other members if he enters into bilateral agreements with them where the members require so.

16. PROCEDURE FOR THE TERMINATION OF THE AGREEMENT

16.1. Each member has the right to terminate the Agreement by presenting a written notification to the Association of Lithuanian Banks, which shall inform the other members of the received notification immediately. The termination of the Agreement is free of charge; paid fees are not subject to repayment. The termination of the Agreement shall enter into force 60 (sixty) days after such a notification is delivered to the Association of Lithuanian Banks. The termination of the Agreement shall not have any impact on the validity of the terms and conditions of the Agreement if these terms and conditions, by their essence, remain in effect after the termination of the Agreement.

16.2. The LBA shall inform of the members who have terminated the Agreement on the website of the LBA www.lba.lt.

16.3. If a member loses the right to provide payment services, he must immediately inform the Association of Lithuanian Banks and other members about that. Upon receipt of the information specified in this paragraph, members have the right to terminate the presentation of e-invoices to the payers of the member who has lost the licence and to refuse acceptance of e-invoice sent by such a member.

16.4. If a member infringes the Rules twice during the recent 12 (twelve) months, the members who have suffered from the infringement have the right to terminate the presentation of e-invoices to the payers of the member who committed the infringement and to refuse acceptance of e-invoice sent by such a member. The member who committed the infringement shall be informed of such a decision in writing.

17. RESOLUTION OF DISPUTES

17.1. Mutual disputes between members shall be settled by means of negotiations. Any disputes that have not been resolved by means of negotiations shall be settled with the involvement of a mediator (intermediary) acceptable to both members. In the case of failure to reach agreement, the disputes shall be considered in the court in accordance with the procedure established by the legislative acts of the Republic of Lithuania according to the law of the Republic of Lithuania.

17.2. Any disputes of a member with payers and payees shall be settled in accordance with the procedure established by the legislative acts of the Republic of Lithuania.

PRESENTATION AND PAYMENT OF E-INVOICE

