

## **Recommended Payment Service Rules**

### **The rules drawn up by the Association of Lithuanian Banks**

#### **1. Introduction**

1.1. The present Payment Service Rules have been drawn up by the Association of Lithuanian Banks taking into account the requirements for providing payment services set by the Law of the Republic of Lithuania on Payments. The Rules are of recommendatory character and may be applied by banks for providing payment services established by the Law of the Republic of Lithuania on Payments.

1.2. In case any provisions of the present Rules and those under agreements are at variance, the provisions under agreements shall apply.

1.3. Copyright owner of the present Payment Service Rules is the Association of Lithuanian Banks.

#### **2. Payment service provider**

2.1. Payment service provider: bank \_\_\_\_\_, sort code: \_\_\_\_\_, domicile address: \_\_\_\_\_, LT – \_\_\_\_\_ Vilnius, Republic of Lithuania, data registered and filed with the. The bank's supervisory institution: the Bank of Lithuania, license number: \_\_\_\_\_.

2.2. The bank's website: \_\_\_\_\_.

2.3. The bank's e-mail address: \_\_\_\_\_.

#### **3. Definitions**

3.1. The terms used in the Rules shall be construed as they are defined further in the present Rules, except where a different purport arises in connection with the context of the Rules:

**1) 'bank'** means the payment service provider indicated under Item 2.1. of the Rules.

**2) 'business day'** means the day when the bank is open for business and carries on its activities necessary for executing a payment transaction. Business days are specified in \_\_\_\_\_.

**3) 'framework agreement'** means a framework agreement executed by and between the Bank and the Customer that establishes the Bank's duty to open a payment account as well as terms and conditions for its opening and regulates execution of one-off and recurrent payments. The Rules shall constitute an integral part of the Framework Agreement.

**4) 'payee'** means a natural or legal person who receives funds of the payment transaction.

5) **'Internet banking'** means providing of payment services via the bank's service system of payments on the Internet under an agreement executed by and between the customer and the bank.

6) **'statement of account'** means the bank's document that contains information on the payment transaction executed in the current account within a certain period of time.

7) **'fees and charges'** means the bank's services and operations fees and charges which as amended and supplemented constitute an integral part of the agreement.

8) **'customer'** means a natural or legal person who is user of the Bank's payment services as a payer and / or a payee.

9) **'commission fee'** means the service provider's charge for a payment transaction and / or services related to it.

10) **'credit transfer'** means a payment service, when at the payer's initiative funds are transferred to the payee's payment account.

11) **'payment order'** means an instruction by the payer or payee to the Bank requesting the execution of a payment transaction.

12) **'payment transaction'** means placing, transferring or withdrawing funds initiated by the payer or the payee, irrespective of any underlying obligations between the payer the payee.

13) **'payment transaction authorisation' ('authorisation')** means the payer's consent to execute a payment transaction.

14) **'payment services'** means payment services provided by the bank as defined by the Law of the Republic of Lithuania on Payments.

15) **'payment service provider'** means any credit institution or any other institution that provides payment services.

16) **'payment instrument'** means any personalised device and / or set procedures agreed between the customer the bank and used by the customer in order to initiate a payment order.

17) **'payment account'** means an account with the bank opened in the name of one or several customers, used for executing payment transactions.

18) **'payer'** means a natural or legal person who holds a payment account and allows a payment order from that account or, where there is no payment account, a natural or legal person who gives a payment order.

19) **'reference exchange rate'** means the exchange rate which is made available by the bank or comes from a publicly available source and which is used as the basis to calculate any currency exchange.

**20) 'durable medium'** means a medium in which the information addressed personally to the payment service user is stored in a way so that it could be accessible for reference over a period of time adequate to the purposes of the information and which allows unchanged reproduction of the information stored.

**21) 'agreement'** means the framework agreement, the one-off payment agreement and / or any other agreement executed by and between the bank and the customer on payment services.

**22) 'parties'** means the bank and the customer having executed the framework agreement or the one-off payment agreement, each separately referred to as the party.

**23) 'rules'** means the present payment service rules regulating the bank's payment services.

**24) 'direct debit'** means a payment service for debiting a payer's payment account, where a payment transaction is initiated by the payee based on the payer's consent given to the payee, to the payee's payment service provider or to the payer's own payment service provider.

**25) 'unique identifier'** means the payment account number issued by the bank to the customer to identify unambiguously the payment account for a payment transaction.

**26) 'foreign state'** means a state other than the Member State of the European Union and a state other than the member country of the European Economic Area (EEA)

**27) 'Member State'** means the European Union Member State and the European Economic Area (EEA) member country.

**28) 'consumer'** means a natural person who, based on the agreement, uses payment services offered by the bank and is acting for purposes other than his trade, business or profession.

**29) 'one-off payment agreement'** means an agreement executed by and between the bank and the customer that regulates a one-off payment transaction. The rules constitute an integral part of the one-off payment agreement. For executing a one-off payment transaction no currency account is opened and no framework agreement is executed.

#### **4. Exemptions**

4.1. If payment transactions are executed in foreign state currencies, the bank and the customer may agree to refrain from applying the provisions of the present rules in whole or in part.

4.2. If payment transactions are executed in the currencies of the Member States by payment to foreign states or from such foreign states, the bank and the customer may agree to refrain from applying the provisions of the present rules, in whole or in part, other than Item 7.5.6 of the rules.

4.3. If the customer is not the consumer, the bank and the customer may additionally agree to refrain from applying Items 7.3.4.–7.3.6., 8.1., 8.2., 11.10., 11.21., 12.1. and 13.4.–13.7. of the present rules, in whole or in part.

## **5. Execution of agreements**

### 5.1. Framework agreement

5.1.1. Framework agreement shall be executed, if the customer is willing to:

- open a payment account with the bank;  
and / or
- execute one-off or recurrent payment transactions, and the bank requests to open a payment account with the bank.

5.1.2. The framework agreement shall be deemed executed, when the bank and the customer agree on the terms and conditions for opening the payment account.

### 5.2. One-off payment agreement

5.2.1. One-off payment agreement shall be entered into, if the user of payment services requests a one-off payment transaction, for execution whereof the bank does not require the payment account opening.

5.2.2. One-off payment agreement shall be deemed executed, when the bank and the customer agree on the terms and conditions for providing a one-off payment service.

### 5.3. Other agreements on payment services

5.3.1. If the framework agreement does not establish to provide certain payment services, the bank and the customer shall have the right to execute separate agreements on such payment services.

5.3.2. If regarding certain payment services separate agreements have been executed, and it is necessary for the customer to open a payment account, the provisions of the framework agreement shall be additionally applied to the relations between the parties in connection with such payment services.

## **6. Commission fee, interest rates and currency exchange**

6.1. In consideration for payment transactions executed and / or related services provided by the bank, the customer shall pay to the bank a commission fee in an amount fixed by the bank.

6.2. The commission fee amount shall be specified in the fees and charges.

6.3. The bank shall be entitled to debit the commission fee to the customer's payment account in which the payment transaction is executed. The bank shall be entitled to debit the commission fee to the customer's other accounts opened with the bank. In cases established by the bank, the customer shall pay the commission fee in cash prior to the payment transaction.

6.4. If a payment transaction is executed using the payment account, and funds in the customer's payment account are insufficient for executing the payment transaction and for payment of the commission fee, the bank shall have the right to reject the payment transaction.

6.5. The commission fee shall be paid in the currency specified in the fees and charges.

6.6. If funds in the payment account are insufficient for payment of the commission fee specified in the fees and charges in the currency specified in the fees and charges, the bank shall have the right to apply the reference exchange rate and exchange the currency of the account funds with the currency specified in the fees and charges.

6.7. The bank shall pay interest to the customer for funds in the account, if so specified under the agreement or the fees and charges. Interest shall accrue on the balance of funds in the payment account which is calculated upon completion of that particular day's last transaction in the payment account. Calculation of such interest shall be based on an assumption that a year consists of 365 days, and a month consists of 30 days. (ALTERNATIVE: Such interest is calculated based on an actual number of days of a month and a year). Interest accrued for ..... period shall on ..... day of .....be transferred to the payment account.

6.8. If payment transactions are executed in the customer's account resulting in a debt against the bank, the customer shall pay interest to the bank defined under the agreement or the fees and charges until the amount of the debt is covered.

6.9. The bank shall apply a changed reference currency exchange rate immediately and without separate notice. Information on any changes made by the bank in the reference currency exchange rate shall be made available at the bank's website or at the bank's subdivisions, unless the bank and the customer have agreed otherwise.

## **7. Use of payment services**

7.1. The main characteristics of payment services shall be defined by the present rules and agreements.

7.2. Information that must be provided in the payment order

7.2.1. The bank shall credit or debit funds to the payment account according to the unique identifier indicated in the payment order received by the bank. If besides the unique identifier the payment order contains any additional information, the bank shall be liable only for execution of the payment transaction according to the unique identifier provided in the payment order. When crediting or debiting funds to the payment account according to the unique identifier indicated in the payment order received by the bank, the bank shall have the right to refrain from checking whether such unique identifier corresponds to the account owner's name and surname / name.

7.2.2. The bank shall, when executing payment orders initiated by the customer, transfer to the payee's payment service provider the information provided in the payment order. The bank shall have the right to establish mandatory information that must be provided to the bank in order that a payment order would be duly executed.

7.3. Giving consent for execution of a payment transaction and revocation of a payment transaction

7.3.1. The customer may give his consent for executing a payment transaction pursuant to the procedure established by the bank or in a form and manner agreed on by the bank and the customer. A consent provided in writing must be signed by the customer or by his representative. Consent on execution of payment transactions may also be approved by e-signature, a password issued to the customer, codes and / or any other means defined under the agreement evidencing the customer authenticity. Documents approved in said manner shall be deemed approved by the customer and be legally equally effective as hard-copy documents signed by the customer.

7.3.2. The customer's consent to execute a payment transaction shall be provided before the point of time of execution of the payment transaction. At an arrangement between the customer and the bank, the customer's consent (authorisation) to execute a payment transaction may be provided also after execution of the payment transaction.

7.3.3. A payment order may not be revoked after its receipt by the payer's payment service provider, unless otherwise defined by the present rules.

7.3.4. If the payment transaction is initiated by the payee or via the payee, the payer may not revoke the payment order after the payment order has been sent or the payer has given his consent to execute the payment transaction. However, in case of direct debit, the payer may revoke the consent to execute the direct debit transaction before the end of the working day that precedes the day on which the payer and the payee agreed on debiting funds to the payer's payment account. The bank executes direct debit transactions based on an arrangement between the customer (payer) and the bank, however, it shall not be liable if the payee provides a payment order without observing the deadlines indicated in the arrangement with the payer.

7.3.5. Payment orders specified under Item 7.4.2. of the rules, may be revoked no later than before the end of the day preceding the agreed day.

7.3.6. Upon expiry of the terms specified under Items 7.3.3–7.3.5, a payment order may be revoked only at an arrangement between the customer and the bank, and in cases specified under Item 7.3.4 the payee's consent shall also be required.

7.3.7. The bank shall have the right to charge the commission fee specified in the fees and charges for the revocation of the payment order.

7.4. Payment order receipt at the bank

7.4.1. A payment order shall be deemed received at the bank on the day of its receipt, if the payment order was received before the moment in time specified in the fees and charges. If the payment order was received at the bank after the point in time specified in the fees and charges or on a non business day, it shall be deemed that the payment order was received at the bank on the first business day following the day of providing the payment order to the bank, other than the case established under Item 7.5.1 of the rules. The bank shall be entitled to debit the amount of the payment order to the customer's payment account on the day of providing the payment order to the bank.

7.4.2. At an agreement between the customer initiating the payment order and the bank the execution of the payment order may commence

on any specific day at the end of a certain period or, if the customer is the payer, on the day on which the customer sets funds at the bank's disposal. In cases established under the present Item it shall be deemed that the payment order has been received at the bank on such agreed date. If the agreed date is a non-business day, the payment order shall be deemed received on the business day immediately following such agreed date.

7.4.3. If the bank agrees to accept the payer's payment order that does not contain the entire information required for the execution of the payment order (e.g., the payee's name, the payee's IBAN account number, etc.) and if, for the purpose of processing the information provided in the payment order and producing the final payment order, it attracts any third parties (e.g., accepts payments based on utilities bill books), the payer's payment order shall be deemed received, after third parties provide the bank with the entire information required by the bank that is necessary for the execution of the payment order.

## 7.5. Terms for providing payment services

7.5.1. Where credit transfers are executed in the Litas within the Republic of Lithuania, the bank does undertake to ensure that, upon the moment in time of receipt of the payment order at the bank, the payment transaction amount would be credited to the payee's payment service provider's account on the same working day, if the payment order was received at the bank on the same business day before 12.00 a.m. If the point in time of receipt of the payment order is after 12.00 a.m. or on a non-business day, the bank does undertake to ensure that the payment transaction amount would be credited to the payee's payment service provider's account no later than on the following business day.

7.5.2. If the customer is the payer, the bank does undertake to ensure that upon the moment in time of receipt of the payment order, the payment transaction amount would be credited to the payee's payment service provider's account no later than within 3 (three) business days since the point in time of receipt of the payment order at the bank (starting from 1 January 2012, no later than before the close of the following business day since the point in time of receipt of the payment order at the bank). If the payment transaction is executed against provided hard-copy payment order, the bank does undertake to ensure that upon receipt of such payment order, the payment transaction amount would be credited to the payee's payment service provider's account no later than within 4 (four) business days since the point in time of receipt of the payment order at the bank (starting from 1 January 2012, no later than within 2 business days since the point in time of receipt of the payment order at the bank). In the fees and charges the bank may specify shorter periods in days for executing payment transactions. Said provisions shall apply to:

7.5.2.1 payment transactions executed in the Republic of Lithuania in the Litas and / or the Euro, other than in cases specified under Item 7.5.1;

7.5.2.2. payment transactions in the Euro executed to other Member States;

7.5.2.3 payment transactions that involve only a one-off currency exchange between the Euro and the Litas, and such currency exchange is performed in the Republic of Lithuania, and in case of payment transactions to other Member States, funds shall be transferred in the Euro.

7.5.3. If payment transactions are executed within the Republic of Lithuania or funds are transferred to other Member States in currencies other than those of the Eurozone countries (except the Litas, where payment transactions are executed within the Republic of Lithuania) and the customer is the payer, the bank does undertake to ensure that upon

receipt of a payment order the amount of the payment transaction would be credited to the payee's payment service provider's account no later than within 4 (four) business days since the point in time of receipt of the payment order at the bank. In its fees and charges the bank may specify shorter periods in days for executing payment transactions.

7.5.4. If payment transactions are executed in foreign state currencies or in currencies of the member states and money transfer is made to foreign states, and the customer is the payer, no periods in days shall be fixed for crediting the payment transaction to the payee's payment service provider's account, except in cases specified in the fees and charges.

7.5.5. In the case defined under Item 7.4.2. of the present rules, if credit transfers are made in the Litas within the Republic of Lithuania, the bank shall ensure that the amount of the payment transaction would be credited to the payee's payment service provider's account on the day of execution of the payment order, and if the day of execution of the payment order is not a business day – on the following business day.

7.5.6. If the customer is the payee, the bank shall ensure a possibility for the customer to use the amount of the payment transaction in the payment account immediately after such amount is credited to the bank's account and after the bank has received the entire relevant information required for this purpose.

7.5.7. If the customer is the payee, the bank does undertake to ensure that the payment order initiated by the customer or via the customer would be transferred to the payer's payment service provider within a term agreed on by the customer and the bank. The payment order to execute direct debit shall be transferred within the agreed term to enable settlement on the agreed date.

7.5.8. Where cash is placed in the customer's payment account in the payment account currency, the bank shall ensure that the funds are made available no later than on the following business day after the receipt of the funds. If the customer is the consumer, the bank shall ensure that funds are made available immediately after the receipt of the funds.

7.5.9. The time of execution of any other payment services shall be defined under agreements, the fees and charges or any other documents (e.g., requests, applications or forms).

7.6. Agreements may define a maximum limit for payment transactions executed using the payment instrument.

## **8. Information provided to the user of payment services**

8.1. Information on one-off transactions executed under the framework agreement:

8.1.1. the bank must, before the start of the one-off payment transaction initiated by the customer (payer) under the framework agreement, at the customer's request provide the customer with information on the longest term (fixed under Item 7 of the present rules) for executing such payment transaction, on payable commission fee and on the split of the commission fee amount (specified in the fees and charges). Said information shall also be available for the customer at the bank's branch and the bank's website;

8.1.2. the bank shall in the statement of account indicate the following information on payment transactions:

8.1.2.1. payment transaction amounts debited to the customer's payment account:

8.1.2.1.1. information based on which the customer can identify each payment transaction and information related to the payee;



- 8.1.2.1.2. payment transaction amount in the currency in which the amount is debited to the payment account or in the currency indicated in the payment order;
- 8.1.2.1.3. amount of the commission fee for the payment transaction and the way the commission fee amount is split or interest payable by the customer (payer);
- 8.1.2.1.4. currency exchange rate applied by the bank and the amount of the payment transaction after currency exchange, if the payment transaction involved currency exchange;
- 8.1.2.1.5. date of the payment account debiting;
- 8.1.2.2. amounts of each payment transaction credited to the customer's payment account:
  - 8.1.2.2.1. information based on which the customer (payee) can identify each payment transaction and the payer, also, payment order data sent alongside with the payment transaction;
  - 8.1.2.2.2. amount of the payment transaction in the currency in which the amount is credited to the customer's payment account;
  - 8.1.2.2.3. amount of the commission fee for the payment transaction and the way the commission fee amount is split or interest paid by the customer (payee) on such payment transaction;
  - 8.1.2.2.4. currency exchange rate applied by the bank and the amount of the payment transaction before the currency exchange, if the payment transaction involved currency exchange;
  - 8.1.2.2.5. date of crediting.
- 8.1.3. The customer may get the statement of account in the following ways:
  - 8.1.3.1. upon appearing at the bank's branch directly from the bank officer;
  - 8.1.3.2. if the customer is user of the Internet banking service, he may print the statement of account out himself based on a relevant service agreement using the instrument provided under such agreement;
  - 8.1.3.3. sent by the bank by mail or in any other agreed manner under a relevant agreement by and between the customer and the bank and / or at the customer's request.
- 8.1.4. If the customer is the consumer, he shall be entitled to get the statement of account free of charge containing information specified under Item 8.1.2 on transactions executed in the payment account in the following manner:
  - 8.1.4.1. if the customer is user of the Internet banking service, he may print the statement of account out himself based on a relevant service agreement using the instruments provided under such agreement. Statements of account are provided in this manner free of charge, irrespective of the frequency in which they are provided. The bank shall be entitled to establish a period for which information on transactions executed within such period is provided in the statement of account in this manner, in any event, however, the customer shall have the right to get, in this manner, a free-of-charge statement of account, which at the customer's discretion contains information on transactions executed in the payment account within no more than a 30 (thirty) calendar days' period before the customer's request or within the preceding calendar month;
  - 8.1.4.2. if the customer is not the user of the Internet banking service, he shall have the right, upon appearing at the bank, to obtain, once a month, from the bank's officer a free-of-charge statement of account, which at the customer's discretion contains information on transactions executed in the payment account within no more than a 30 calendar days' period before the customer's request or within the preceding calendar month.
- 8.1.5. For providing statements of account to the customer who is not the consumer, also, for any additional information, other than that specified under Item 8.1.2 of the present rules, provided at the consumer's request for more frequent providing of statements of account or for their providing in any other manner or by any other means that those

specified under Item 8.1.4, the customer must pay a commission fee in an amount specified in the fees and charges;

8.2. Information on one-off payment transactions:

8.2.1. If a payment order for a one-off payment transaction is provided using payment means established under the framework agreement, the bank shall have no obligation to provide relevant information or enable familiarisation with the information that has already been provided to the payment service user based on the framework agreement concluded with any other payment service provider or that will be provided thereto under such framework agreement.

8.2.2. Terms and conditions for executing one-off payment transactions:

8.2.2.1. for the purpose of due execution of a payment order the customer must indicate to the bank the unique identifier and / or any other information requested by the bank (if applicable);

8.2.2.2. the longest term for executing the payment service shall be specified under Item 7 of the present rules;

8.2.2.3. the commission fee payable by the customer and the way in which the amount of commission fee is split shall be specified in the fees and charges;

8.2.2.4. if the payment transaction involves currency exchange, the reference currency exchange rate shall be applied;

8.2.2.5. in case of one-off payment transactions, the provisions of Item 7 of the payment rules shall also be applied;

8.2.3. having received a payment order for a one-off payment transaction, the bank shall immediately enable the customer (payer) to familiarise, in a reasonable manner, with the following:

8.2.3.1. information based on which the customer identifies the payment transaction and information related to the payee;

8.2.3.2. amount of the payment transaction in the currencies indicated in the payment order;

8.2.3.3. amount of the commission fee paid by the customer for the payment transaction and the way in which the amount of the commission fee is split – this information shall be specified in the fees and charges;

8.2.3.4. reference currency exchange rate and the payment transaction amount after currency exchange, if the payment transaction involved currency exchange;

8.2.3.5. date of the receipt of the payment order.

8.2.4. At the customer's request, the bank shall provide the information specified under Item 8.2.3 in writing.

## **9. Duties of payment service users in relation to payment instruments**

9.1. The customer entitled to use the payment instrument shall have the following duties:

9.1.1. when using the payment instrument, to follow rules regulating the issuance and use of the payment instrument;

9.1.2. having found out about any loss, theft, illegal acquisition of the payment instrument or about its unauthorised use, also, about facts or suspicions that personalised security features of his payment instrument have become known to or may be available to any third

parties, to immediately give the bank or the entity indicated thereby a relevant notification, observing the rules regulating the issuance and use of the payment instrument.

9.2. Having been issued the payment instrument, the customer must take actions to protect the personalised security features of the payment instrument.

## **10. Rules of communication between the payment service provider and the payment service user**

10.1. Any and all communications, statements of account, reports, certifications, confirmations or any other information, including the bank's service rules (hereinafter the 'notifications') must be made in writing (i.e. a relevant document must be drawn up), other than in cases provided for by legal acts of the Republic of Lithuania and / or under agreements as well as any other documents submitted to the bank (applications, forms, etc.), where notifications may be provided verbally or must be notarised. Documents sent by telecommunication means or by electronic means (by fax, teletype or via the Internet) shall be deemed to be documents made in writing.

10.2. The bank shall deliver notifications to the customer in person or announce them publicly.

10.2.1. The bank's notifications shall be delivered in person or told personally to the customer, also, sent by mail, e-mail, telefax or any other telecommunication means, via the bank's Internet banking system.

10.2.2. the bank's public notifications shall be placed at the bank's website and made available at the premises of the bank's customer service branches. Such notifications may be additionally published at any national newspaper selected by the bank (available in an area with more than 60 per cent of the population of the Republic of Lithuania).

10.3. The customer's notifications to the bank shall be delivered or told directly to the bank's authorised employees, also, sent by mail, telefax, telephone and other telecommunication means, by e-mail, via the bank's Internet banking system. If the customer gives a notification verbally, the bank shall have the right to record the conversation pursuant to the procedure established by laws.

10.4. The bank must ensure continuous and quality functioning of the bank's Internet banking system and the bank's website (to the extent it depends on the bank). The bank, however shall have the right to improve its IT systems and eliminate any failures found, even if this may result and / or results in any interference with providing information and / or services to its customers. The bank must plan works related to the improvement of its IT systems and elimination of any failures in them and wherever possible carry out such works during night time. In case of any extraordinary circumstances and important reasons the bank shall have the right, with the aim to avoid any possible losses for the customer and / or its own losses, to eliminate IT system failures anytime round the clock. Works for the elimination of IT system failures shall be carried out within the shortest possible period of time. At the time when the bank's IT system improvement and / or elimination of failures is performed, fulfilment of any and all obligations of the bank that are executed via the IT systems shall be suspended.

10.5. Each party shall be entitled to select a way of delivering notifications, other than in cases peremptorily established by legal acts of the Republic of Lithuania and / or agreements as well as any other documents (applications, forms, etc.) submitted to the bank. The bank's notification announced publicly shall be deemed duly transferred and delivered to the customer, other than in cases peremptorily indicated by legal acts of the Republic of

Lithuania and / or agreements, where the bank must deliver a notification to the customer in person. Information that constitutes the bank's secret may be handed in or told only in person.

10.6. Notifications delivered by the parties shall be deemed received:

10.6.1. if a notification has been delivered verbally (including by phone) – at the time it is being told;

10.6.2. if a notification is handed in directly – on the day it is handed in;

10.6.3. if a notification is sent by mail – after a 5 (five) calendar days' period (if sent from / received from outside the Republic of Lithuania – after a 14 (fourteen) calendar days' period) since the day of its dispatch;

10.6.4. if a notification is sent by e-mail, telefax, telephone and other means of communication – on the nearest business day in the country of the payee since its dispatch;

10.6.5. if a notification is announced via the bank's Internet banking system – on the nearest business day in the payee's country following the day of its announcement;

10.6.6. if a notification is announced publicly – on the day of its announcement;

10.6.7. if the payee has confirmed earlier receipt of the notification than mentioned above – on the confirmed day of its receipt.

10.7. Name and surname or name of a legal person, addresses, telephone, fax numbers and other requisite information (hereinafter the 'contact information'), required to be indicated when sending notifications by the parties, shall be indicated in the agreements or any other documents (applications, forms, etc.) submitted to the bank.

10.8. If the agreement includes multiple persons (co-borrowers, account co-holders, etc.), the bank shall have the right to address notifications related to such service agreement to any of the multiple persons. Such person must forward the information received to other multiple persons indicated in the service agreement.

10.9. If the agreement or any other documents (applications, forms, etc.) provided to the bank does not contain the customer's contact information, the bank shall have the right to give the notification according to the latest contact information indicated by the customer. If the agreement does not contain the bank's contact information, the customer shall have the right to give the notification according to the contact information indicated at the bank's website.

10.10. The parties must immediately inform each other of any change in their contact information. At the bank's request the customer must provide relevant documents in evidence of a change in the contact information. In case of failure to fulfil such duty, it shall be deemed that any notification sent according to the latest information indicated to the other party has been duly sent, and any obligation fulfilled based on such information has been duly fulfilled.

10.11. The parties must immediately provide each other with information of any circumstances that may be important for performing under the agreement. At the bank's request, the customer must provide documents in evidence of such circumstances, irrespective of the fact that the information has been provided to public registries, also, documents, evidencing the following: a change in sample signature of the customer or the customer's representative, initiation or instigation of the customer's bankruptcy, restructuring proceeding, the customer's liquidation, reorganisation, rearrangement, etc.

10.12. The agreement must establish that the Parties must periodically provide each other with certain notifications related to their performance under the agreement.

10.13. If the customer does not receive notifications from the bank that the customer had to receive from the bank under the agreement or has submitted his separate request to the bank in order to receive them, the customer must immediately inform the bank about it.

10.14. The customer must, having received a notification from the bank, immediately check the correctness and accuracy of the information contained in it and, having found any discrepancy, inaccuracy or mistake immediately inform the bank about it. The present Item shall not be applied to the bank's notifications that according to their purport, the agreement or legal acts of the Republic of Lithuania need not be checked and / or approved by the customer.

10.15. Notifications sent by the bank to the customer cannot be deemed to be the bank's offer to the customer to execute the agreement or use any services, except cases where the bank's notification clearly states that exactly such offer is being made.

10.16. The payment service rules and the fees and charges shall be announced in the Lithuanian and in the \_\_\_\_\_ language. The agreements shall be executed in the Lithuanian language. At the customer's request and at the bank's consent, service agreements may be executed in the \_\_\_\_\_ language. The bank shall have the right to request the customer to compensate the costs for translation of the agreement into a foreign language.

10.17. The bank's notifications delivered to the customer in person shall be made in the Lithuanian language. The bank shall also be entitled to make such notification in the language in which the agreement has been executed. At the bank's consent, the bank's notifications may be made in any other language requested by the customer. The bank's notification publicly announced at the bank's website shall be made in the Lithuanian and in the \_\_\_\_\_ language. In all other cases the bank's notification shall be made in the Lithuanian language.

10.18. The customer's notification to the bank may be made in the Lithuanian and the \_\_\_\_\_ language.

10.19. In case of any discrepancy between the texts of the agreement or any other document in the Lithuanian and any foreign language, the text in Lithuanian shall prevail.

10.20. Documents provided to the bank must be made in the Lithuanian and / or any other language indicated by the bank. If documents provided to the bank are made in any foreign language, the bank shall be entitled to request their translation into the Lithuanian and / or any other language indicated by the bank by a competent translator acceptable to the bank. The bank shall be also entitled to request that authenticity of the translator's signature is notarised.

10.21. The bank must request that documents drawn up in a foreign country would be apostilled or legalised pursuant to the procedure established by legal acts.

10.22. The customer shall be entitled to anytime familiarise with the effective version of the framework agreement and of the payment service rules, also, with any version of the framework agreement and of the payment service rules that was effective after the day of execution of the framework agreement. The aforementioned documents and information may be announced at the bank's website, and if they are not announced and a separate request of the customer has been received, they must be provided to the customer in writing or using any other durable medium.

## **11. Security and rectifying measures**

11.1. The customer must immediately notify the bank in writing of his personal identification document theft or loss in any other manner. Said requirement is set with the aim to secure the customer funds from any possible illegal third-party actions.

11.2. The customer entitled to use the payment instrument must adhere to the terms and conditions specified under Item 9.1. of the present rules.

11.3. Having been issued the payment instrument, the customer must adhere to the terms and conditions established under Item 9.2. of the present rules.

11.4. The bank shall have the right to block the payment account (i.e. to suspend payment transactions in the payment account, in full or in part) and / or the payment instrument (to prohibit using it, in full or in part):

- due to any objective reasons related to funds in the payment account and / or to the security of the payment instrument;
- due to suspected illegal or unfair use of funds in the payment account or of the payment instrument or due to highly increased risk related to the customer's potential inability to duly meet his payment obligation (also when using the payment instrument and credit line);
- if the customer fails to perform under the agreement;
- if the bank has reasonable suspicion that any third parties may potentially illegally use the funds in the payment account and / or the payment instrument;
- if the bank has reasonable suspicion that the payment account and / or payment instrument may potentially be used or has been used for criminal activities;
- if the bank obtains reasonable information about the customer's death;
- if the bank is provided with controversial information about persons empowered to represent the customer;
- in cases stipulated by laws or any other legal acts of the Republic of Lithuania or under the agreement or under any other agreements executed with the bank.

11.5. The payment account and / or the payment instrument shall be blocked at the customer's initiative, if the customer submits a relevant request to the bank or informs the bank in a manner established under the agreement that the payment instrument issued to the customer has been stolen or lost in any other way and funds in the payment account and / or the payment instrument are used or may be used in any other illegal manner. The bank shall have the right to demand that the customer's verbally provided request to block the payment account and / or the payment instrument would be subsequently confirmed in writing or in any other way acceptable to the bank. If the payment account and / or payment instrument was blocked at the customer's initiative, the bank may unblock it only upon receipt of the customer's request in writing, unless otherwise established under the agreement. The bank shall have the right to replace the blocked payment instrument with a new one.

11.6. In the above cases the bank shall notify the customer, in a manner established under the agreement, of blocking the payment account and / or the payment instrument and reasons for such blocking, if possible, before blocking the payment account and / or the payment instrument and no later than immediately upon its blocking, except in cases when providing of such information would impair the security measures or would be prohibited under any other legal acts;

11.7. The bank shall unblock the payment account and / or the payment instrument (or replace it with a new payment instrument) when reasons for blocking the payment account and / or the payment instrument cease to exist;

11.8. The bank shall not be liable for the customer's losses, sustained due to blocking the payment account and / or the payment instrument, and shall not pay the default interest

defined in the rules and / or the agreement, if such blocking was made pursuant to the procedure established by the rules and / or the agreement and at the conditions defined in the rules and / or the agreement.

11.9. Payment transaction shall be deemed authorised only after the customer has given his consent to execute it. The form and procedure for giving such consent shall be defined in the agreement. The customer may authorise the payment transaction either before or after its execution, if the customer and the bank have so agreed. If the above-referred consent is not available, it shall be deemed that the payment transaction has not been authorised.

11.10. The customer may anytime before the point in time of irrevocability, indicated under Items 7.3.3–7.3.6, cancel his consent to execute the payment transaction. A consent to execute multiple payment transactions may also be revoked, in which case all further (ALTERNATIVE: PAYMENT TRANSACTIONS APPROVED BY THIS CONSENT) payment transactions shall be deemed unauthorised.

11.11. If the customer is the consumer and denies having authorised a payment transaction that has been executed or maintains that the payment transaction has been improperly executed, the bank shall have the duty to prove that authenticity of the payment transaction was confirmed, that it was duly registered, reflected in the accounts, and no technical or any other hindrances had any impact on it.

11.12. If the customer is the consumer and denies having authorised any payment transaction that has been executed, the bank's registered use of the payment instrument shall not necessarily constitute sufficient evidence that the customer has authorised the payment transaction, has acted unfairly or has intentionally or through gross negligence failed to fulfil one or several duties established under Items 11.2 and 11.3. If the customer is not the consumer, the use of the bank's registered payment instrument shall constitute sufficient evidence that the customer has authorised the payment transaction.

11.13. If the customer is the consumer, the losses resulting from any unauthorised transaction in an amount of EUR 150 equivalent in the Litas shall be covered by the customer, if the losses result from:

- use of lost or stolen payment instrument;
- illegal acquisition of the payment instrument, if the customer failed to protect the personalised security features.

If the customer is not the consumer, any and all losses that are incurred due to the above-indicated reasons shall be covered by the customer.

11.14. Any and all losses that are incurred due to unauthorised payment transactions shall be covered by the customer, if the customer has sustained them through his unfair actions, having failed to fulfil one or several duties established under Items 11.2 and 11.3 through gross negligence or intent.

11.15. After the customer gives the notification indicated under Item 11.5 to the bank, the customer's losses that have been sustained due to loss, theft or illegal acquisition of the payment instrument shall be covered by the bank, except if the customer has acted unfairly.

11.16. If the bank does not create conditions to anytime notify about loss, theft or illegal acquisition of the payment instrument, the losses incurred due to unauthorised use of the payment instrument shall be covered by the bank, except if the customer has acted unfairly.

11.17. The customer must no less than once a month check information on payment transactions in the payment account. The circumstance that the customer did not request the statement of account to be sent thereto shall not dismiss the customer from fulfilling said obligation.

11.18. The customer must notify the bank of any unauthorised or defectively executed payment transactions, also, of any other error, discrepancy or inaccuracy in the statement of account. Such notification must be given immediately, however, no later than within 60 calendar days as of the day when the bank, in the customer's opinion, executed an unauthorised payment transaction or defectively executed the payment transaction.

11.19. If the customer is the consumer, he must immediately notify the bank in writing about any unauthorised payment transaction or defective debiting of funds to the payment account, however, no later than within 13 months as of the day of such debiting to the payment account. If the customer is not the consumer, the customer must give the notification indicated under the present Item to the bank within a term indicated under Item 11.18.

11.20. If the customer fails to give any notification at the time indicated under Items 11.18 and 11.19, it shall be deemed that the customer has unconditionally agreed with the payment transactions executed in the payment account.

11.21. The terms specified under Items 11.18 and 11.19 of the present rules shall not apply, if the bank has not provided information to the customer on an unauthorised or defectively executed payment transaction or has not created conditions for familiarisation with it.

11.22. Having received the customer's notification within the period indicated under Items 11.18 and 11.19 and having found that the payment transaction has not been authorised by the customer, the bank shall immediately refund to the customer the amount of such unauthorised payment transaction and shall restore the balance of the account to which said amount was debited that would exist if the payment transaction had not been executed, other than in cases specified under Items 11.13– 11.16, where liability for any unauthorised payment transaction rests with the customer.

11.23. If the customer, when giving the payment order, indicates the unique identifier, such payment order shall be deemed duly executed, if it has been executed according to the indicated unique identifier. When crediting or debiting funds to the payment account according to the unique identifier indicated in the payment order received by the bank, the bank shall have the right to refrain from checking whether such unique identifier corresponds to the name and surname / name of the payment account owner. If the unique identifier provided by the customer is erroneous, the bank shall not be liable under Item 11.25 for non-execution of a payment transaction or defective execution, however, it must seek to recover the funds of the payment transaction.

11.24. If besides indicating the unique identifier the customer also provides additional information, the bank shall be liable only for the execution of the payment transaction according to the unique identifier indicated by the customer.

11.25. If the customer (payer) has initiated the payment transaction, the bank shall be liable for due execution of the payment transaction. If the bank can prove to the customer (payer) and in certain cases to the payee's payment service provider that the payment service provider has received the amount of the payment transaction, the payee's payment service provider shall be liable against the payee for due execution of the payment transaction.

11.26. If liability as per Item 11.25 arises to the bank as the payer's payment service provider, the bank shall immediately refund to the customer (payer) the amount of defectively executed payment transaction or shall restore the balance of the payment account to which such amount was debited that would exist if the defectively executed payment transaction had not been executed.

11.27. If liability under Item 11.25 arises to the bank as the payee's payment service provider, the bank shall immediately credit the amount of the payment transaction to the



customer's (payee's) payment account and / or shall enable the customer (payee) to dispose of it.

11.28. In case of late execution of the payment transaction or invalid limitation of funds in the account through the bank's fault, the bank shall at the customer's request pay to the customer default interest of 0.02 per cent as per each day of delay on the amount of such late transaction or on the payment transaction amount, which has been invalidly limited through the bank's fault.

11.29. The bank shall not be liable for the customer's sustained additional costs or incurred indirect losses (non-received income, profit, etc.) in connection with the non-executed or defectively executed payment transaction.

11.30. In case the customer (payer) initiates a payment transaction and no payment transaction is executed or is defectively executed, the bank as the payer's payment service provider must immediately in any event at the customer's (payer's) request take actions to find out the reasons and notify the customer (payer) of the outcome.

11.31. If the payment order is initiated by the customer (payee) or via the customer (payee), the bank, as the payee's payment service provider, shall immediately transfer the payment order to the payee's payment service provider. The bank as the payee's payment service provider shall be liable against the customer (payee) for due transfer of the payment order to the payer's payment service provider.

11.32. If the payment transaction, for which the payee's payment service provider is not held liable under Item 11.31, is not executed, the bank shall be liable against the customer (payer) and shall immediately refund to the customer (payer) the amount of the non-executed payment transaction or shall restore the balance of the account to which the amount was debited.

11.33. If the payment order is initiated by the customer (payee) or via the customer (payee), and the transaction is not executed or is defectively executed, the bank as the payee's bank must in any event at the customer's (payee's) request immediately take actions to find out the reasons and notify the customer (payee) of the outcome.

11.34. The bank shall be liable against the customer for the commission fees and interest of the customer due to non-execution or defective execution of the payment transaction through the bank's fault.

11.35. The bank's and the customer's liability shall not apply in case of any abnormal or unforeseeable circumstances that were beyond the control of the person pleading for the application of such circumstances, the consequences of which would have been unavoidable despite all efforts to the contrary, or where this is defined by legal acts regulating the bank's activities.

11.36. The customer (payer) shall have the right to recover from the bank the entire amount of the payment transaction initiated by the payee or via the payee and already executed, if both of the following conditions are met:

11.36.1. the payment transaction was authorised without indicating the precise amount of the payment transaction;

11.36.2. the payment transaction amount is higher than the amount which the customer (payer) could have reasonably expected taking into consideration his previous costs, agreement terms and conditions as well as any other circumstances, other than those related to currency exchange when the payment transaction involved currency exchange at the rate agreed on by the customer (payer) and the bank. If the customer (payer) gives his consent to execute payment transactions initiated by the payee or via the payee indicating the limit for such transactions (for a one-off transaction or transactions executed within a certain period of time), it shall be

deemed that he could have reasonably expected exactly such an amount from said payment transactions.

If the customer is not the consumer, the provisions of the present Item shall not apply, and the customer shall not be entitled to recover the amount involved in the above-mentioned payment transaction.

11.37. At the bank's request the customer (payer) must provide data on the terms and conditions established under Items 11.36.1 and 11.36.2.

11.38. The customer (payer) shall not be entitled to a refund of the amounts of the payment transactions initiated by the payee or via the payee according to Item 11.36, if the payer has given his consent to execute the payment transaction directly to his bank, and the bank or the payee has provided, in an agreed manner, the customer (payer) information on the future payment transaction or has enabled to familiarise with it no less than 4 (four) weeks before the envisaged date of execution of the payment transaction.

11.39. The customer (payer) shall be entitled to request the bank to refund the amount of the authorised payment transaction initiated by the payee or via the payee within 8 (eight) weeks since the day of the funds debiting to the payment account.

11.40. The bank shall, having received the customer's (consumer's) request to refund the amount of the payment transaction, within 10 (ten) business days refund the entire amount or shall indicate reasons for its refusal for a refund as well as the procedure for an appeal against such refusal. If a relevant request is submitted by the customer who is not the consumer, the bank shall, having received the customer's request to refund the amount of the payment transaction, within 30 (thirty) working days refund the entire amount or shall indicate reasons for its refusal to refund it.

11.41. Where the bank in cases and pursuant to the procedure established under Items 11.36–11.40 above refunds to the payer the amount of the payment transaction, the payee (the customer) who receives such payment transaction amount must immediately refund the amount of said payment transaction transferred to his payment account to the bank and agrees that the bank would, pursuant to the procedure established under Items 6.3 and 6.6 of the present rules, debit such payment transaction amount to his (payee's) accounts with the bank.

## **12. Amendments to the agreements**

12.1. The bank shall be entitled to unilaterally amend the agreement concluded with the customer, the payment service rules or the fees and charges. The bank shall inform the customer of any amendments to the agreement, the payment service rules or the fees and charges no later than 60 calendar days before the day on which the amendments will take effect. Said information on the amendment to the agreement and / or the payment service rules and / or the fees and charges shall be provided to the customer in person or shall be made public. A public announcement shall be deemed to be information on a unilateral amendment to the agreement and / or the payment service rules and / or the fees and charges duly given (in writing) to the customer. It shall be deemed that the customer agrees with such amendments, if before the effective date of the amendments he gives no notification to the provider of payment services of his disagreement with such amendments. In such event, the customer shall be entitled to immediately and without paying any commission terminate the framework agreement before the day on which the amendments will take effect.

12.2. If the customer does not avail of the right to terminate the agreement before the effective date of the amendments, it shall be deemed that the customer agrees with the amendments made.

### **13. Effective term and expiry of agreements**

13.1. The framework agreement shall continue in effect without any fixed period of time, unless otherwise defined under the agreement.

13.2. The one-off payment agreement shall continue in effect until the day of execution of the payment transaction specified under the one-off payment agreement.

13.3. Any other agreements on payment services shall continue in effect for a period indicated therein.

13.4. The customer shall have the right to terminate the framework agreement upon giving the bank a relevant no less than 30 days' prior notification.

13.5. If the customer terminates the framework agreement concluded for more than a 12 months' period or for an unlimited period of time after a 12 months' period since the day of entering into the framework agreement, the customer shall pay no commission fee. In all other cases the customer shall pay the commission fee specified in the fees and charges for termination of the framework agreement to the bank.

13.6. The bank may terminate the framework agreement concluded for an unlimited period of time upon giving a relevant notification no less than 60 (sixty) calendar days before the date of termination of the framework agreement, unless otherwise established by law.

13.7. The commission fee regularly charged for payment transactions shall be paid by the customer proportionately until the day of termination of the framework agreement. If the commission fee was paid in advance, it shall be proportionately refunded.

13.8. Payment transactions initiated under the agreement before the day of termination of the agreement, shall be finalised abiding by the provisions of the agreement that were effective before the termination of the agreement, unless the bank and the customer have agreed otherwise.

13.9. In cases established by law, the bank shall have the right to immediately terminate the framework agreement or reject execution of the payment transaction.

### **14. Redress procedure**

14.1. Agreements executed by and between the parties shall be subject to the law of the Republic of Lithuania.

14.2. Customer requests / complaints regarding the bank's actions whereby the bank may have infringed the requirements of laws or agreements that regulate providing of services and / or the customer's legitimate interests shall be considered by the bank. The bank must

consider the customer's written request (complaint) and respond to the customer in writing within 30 (thirty) calendar days since the day of receipt of a relevant request.

14.3. Customer requests (complaints) shall be considered by the bank free of charge.

14.4. If the bank's response to the customer's request (complaint) does not satisfy the customer or no answer has been provided to him, the customer shall have the right to turn to the court in accordance with procedures established by law. If the customer is the consumer, he shall also have the right to turn to the State Consumer Rights Protection Agency in accordance with procedures established by law.