

## PAYMENT SERVICE RULES OF ŠIAULIŲ BANKAS

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### I. GENERAL PROVISIONS

- 1.1. *Payment Service Rules of Šiaulių Bankas* (hereinafter, *Payment Rules*) have been drawn up in accordance with the legislation of the Republic of Lithuania and European Union regulating the provision of Payment Services and execution of Payment Transactions in Bank divisions by means of Electronic Channels or Payment Instruments.
- 1.2. The *Payment Rules* regulate the general rules, terms and conditions of the provision of Payment Services, execution of Payment Transactions, servicing of Clients' accounts in the Bank, as well as rights, obligations and liability of the Clients and the Bank in connection with Payment Services.
- 1.3. The *Payment Rules* apply to all business relationships between the Client and the Bank related to the provision of Payment Services regardless of Payment Services used by the Client.
- 1.4. The Bank unilaterally determines the terms and conditions of the *Payment Rules*. When the Client uses Payment Services, the version of the *Payment Rules* valid on the day of provision of *Payment Services* shall apply to the Client.
- 1.5. In addition to the *Payment Rules*, business relationship between the Parties related to the provision of services of the Bank is also subject to the *General Rules*, *Service Rates*, Agreements on the provision of the respective services concluded by the Bank and the Client, and the *Terms of Service* (if applicable).
- 1.6. The Client shall read the *Payment Rules*, *Service Rates* and *Terms of Service* before concluding the Agreement or, where the Agreement has already

been concluded, before using the services of the Bank (e.g., before submitting a Payment Order).

- 1.7. The Client can access the *Payment Rules*, *Service Rates* and *Terms of Service* on the website of the Bank or in customer service units of the Bank. At the Client's request, a copy of the *Payment Rules* and *Terms of Service* may be provided to the Client.
- 1.8. The *Payment Rules* are an integral part of the Agreement concluded between the Bank and the Client on the provision of a specific payment service or a one-off transaction.
- 1.9. Other terms of application, interpretation and amendment of the *Payment Rules* are provided in the *General Rules*.

### II. TERMS AND DEFINITIONS

- 2.1. **Bank** – Stock Company Šiaulių Bankas, registration number 112025254, office address: Tilžės g. 149, LT-76348, Šiauliai, Republic of Lithuania. Email address of the Bank: [info@sb.lt](mailto:info@sb.lt), address of the Bank's electronic parcel box in the national postal network for electronic parcel delivery: **112025254**; telephone number of the Remote Customer Service Centre of the Bank: 1813 (+370 37 301 337 for calls from abroad), email address for client inquiries: [info@sb.lt](mailto:info@sb.lt). The Bank holds a licence No. 7 issued by the Bank of Lithuania which gives it the right to provide all licensed financial services. The Bank is registered in the Register of Legal Entities of the Republic of Lithuania.
- 2.2. **Bank Business Day** – the day and time when the Bank's customer service unit providing services to

- clients is opened, as well as the day or time set by the Bank when the Bank performs activities necessary for the execution of a specific Payment Transaction or provision of a specific Payment Service in which the Bank is involved. The Bank may set different business days and times for the execution of different Payment Transactions and/or provision of different payment and related services. The Bank's business days and times for providing specific Payment Services specified in the *Service Rates* or specific *Terms of Service* are also published on the website of the Bank.
- 2.3. **Website of the Bank** – the Bank's website at [www.sb.lt](http://www.sb.lt).
  - 2.4. **General Agreement** – any bank account or other agreement in which the Client and the Bank agree on the terms and conditions for opening, using, servicing and closing the Account.
  - 2.5. **General Rules** – the *General Service Rules of Šiaulių Bankas* approved by the Bank, setting forth the general procedure for the provision of the Bank's services to the Client. The *General Rules* are available on the website of the Bank and in customer service units of the Bank.
  - 2.6. **Electronic Channels** – the Bank's Internet Bank, mobile application, Open Banking, SMS Bankas, contract information system, electronic system for online trading in securities or other electronic channels for the provision of the Bank's services that allow Clients to conclude transactions, perform payment transactions, exchange information with the Bank and use other Bank's services by remote means.
  - 2.7. **Beneficiary** – a legal entity or natural person indicated in the Payment Order as a recipient of the Payment Transaction funds.
  - 2.8. **Statement** – a document of the Bank that provides information about the Payment Transactions performed in the Account over a certain period of time.
  - 2.9. **Law** – Law on Payments of the Republic of Lithuania.
  - 2.10. **Client** – a natural person or legal entity that uses or has expressed the wish to use Payment Services of the Bank as the Payer and/or Beneficiary.
  - 2.11. **Commission Fee** – a fee charged by the Bank for a Payment Transaction and/or related services, as well as services related to the Account or services received by the Client from the Bank. Commission Fee rates are provided in the *Service Rates* or *Agreements*.
  - 2.12. **Credit Limit** – a credit limit granted by the Bank for a certain term in the Account, which the Client may use under the conditions specified in the General Agreement or other Agreement for the provision of services.
  - 2.13. **Credit Transfer** – a Payment Service, where the Bank transfers funds from the Payer's account to the Beneficiary's account according to the Payment Order received. If Credit Transfer is performed in euro in the Republic of Lithuania or to other SEPA countries, such Credit Transfer is treated as a SEPA Credit Transfer. In all other cases, the Credit Transfer is considered a Non-SEPA Credit Transfer.
  - 2.14. **Payment Initiation Service Provider** – a Payment Service provider that provides the payment initiation service, i.e., where, at the Payer's request, the Payment Order is initiated through the Payment Initiation Service Provider from the Payer's account in the Bank.
  - 2.15. **Payment Order** – an instruction of the Payer or the Beneficiary to the Bank to execute the Payment Transaction.
  - 2.16. **Payment Transaction** – a payment, transfer or withdrawal of funds initiated by the Payer, on the Payer's behalf, or by the Beneficiary.
  - 2.17. **Authorisation of Payment Transaction** – authorisation/confirmation provided using the Payer's Authentication Tools for the execution of the Payment Transaction.
  - 2.18. **Payment Services** – payment services provided by the Bank as defined in the Law, i.e., cash deposits to the Account, cash withdrawals from the Account and all transactions related to the servicing of the Account, Credit Transfers, periodic credit transfers, issuance of Payment Instruments and processing of Payment Transactions performed with Payment Instruments, money remittances and other payment services provided by the Bank.
  - 2.19. **Payment Service Provider** – the entity providing payment services to the Payer or the Beneficiary (bank, credit institution, payment or other institution).
  - 2.20. **Payment Instrument** – a payment card issued by the Bank or any other instrument and/or certain procedure used by the Client to initiate a Payment Order or to obtain other services permitted by the Bank.
  - 2.21. **Payer** – a natural person or legal entity that has an Account and authorises a Payment Transaction from such Account based on a Payment Order, or a natural person or legal entity that submits a Payment Order for a Payment Transaction without having an Account in the Bank.
  - 2.22. **Basic Interest Rate** – the basic interest rate specified by a source publicly available to both Parties, which is used to calculate the amount of interest (e.g., EURIBOR). Links to public sources publishing basic interest rates are available on the website of the Bank.
  - 2.23. **Main Payment Account** – an Account opened on the basis of the General Agreement in the name of a Consumer legally residing in a Member State. The Payment Services included in the Main Payment Account service are specified in the Law. This account is subject to the statutory Commission Fee. A Consumer legally residing in a Member State shall be understood as defined in the Law.
  - 2.24. **Reference Exchange Rate** – a currency exchange rate set by the Bank for cash and non-cash (i.e., funds held in the Account) currency exchange at which currency is exchanged, except

- where the *Terms of Service* provide otherwise. Reference Exchange Rates for currencies purchased and sold by the Bank are available on the website of the Bank.
- 2.25. **Service Rates** – fees approved by the Bank for the services provided and transactions executed by the Bank, which are available on the website of the Bank or in the customer service units of the Bank. In the Agreements on individual services, the *Service Rates* are also referred to as Standard Rates or Price List; if the Parties agree on the amount of the contractual remuneration in the Agreement or in a separate agreement (either oral or written), such rates shall also be referred to as the *Contractual Rates*. The term *Service Rates* used in the *Payment Rules* includes the *Service Rates*, *Standard Rates*, *Price List* and *Contractual Rates*.
- 2.26. **Service Plan/Payment Service Package** – a set of payment services and transactions provided by the Bank, the contents of and Commission Fee for which are determined by the Bank or by legislation.
- 2.27. **Terms of Service** – the general terms and conditions for the provision of the specific services or the sale of the specific products of the Bank, which shall not be signed by the Client and which are available on the website of the Bank or in customer service units of the Bank.
- 2.28. **Money Laundering** – the activity defined in the LPMLTF aimed at legalising or concealing the origin of money and/or other assets acquired through criminal means.
- 2.29. **PLAIS** – the information system for restrictions on monetary funds, managed by the State Enterprise Centre of Registers, which is automatically operated and enables enforcement authorities (bailiffs, the State Tax Inspectorate under the Ministry of Finance, the Customs Department under the Ministry of Finance, the State Social Insurance Fund Board under the Ministry of Social Security and Labour and the Bank of Lithuania) to provide credit institutions with orders for the withdrawal and restriction of funds in a unified manner, ensures the priority of execution of the withdrawal orders in accordance with the order in which the claims are to be satisfied, and distributes the debtor's funds proportionally to the authorities carrying out the recovery.
- 2.30. **LPMLTF** – the Law on the Prevention of Money Laundering and Terrorist Financing of the Republic of Lithuania.
- 2.31. **Supervisory Authority** – the Bank of Lithuania, registration No. 188607684, which, in accordance with the procedure established by the legal acts of the Republic of Lithuania, supervises the activities of the Bank and resolves disputes arising between the Bank and the Consumer in connection with the provision of financial services. If the Consumer is not satisfied with the Bank's response to the dispute, he/she shall have the right to apply to the Bank of Lithuania within one year from the date of his/her application to the Bank at Totorių g. 4, LT-01121 Vilnius, or by email to [www.lb.lt/gincu-sistema](http://www.lb.lt/gincu-sistema). For more information on the disputes, visit [www.lb.lt](http://www.lb.lt) or [www.sb.lt](http://www.sb.lt).
- 2.32. **Sanctions** – any economic or financial sanctions, embargoes or other restrictive measures applied, imposed or administered by the United Nations, the European Union, the Republic of Lithuania, the Government of the United States of America (including the United States Department of the Treasury's Office of Foreign Assets Control (OFAC)), or restrictive measures imposed by other countries and/or authorities and observed by the Bank. Information on the Sanctions implemented by the Bank is publicly available on the Bank's website at <https://www.sb.lt/lt/duk/pinigu-plovimo-prevencija>.
- 2.33. **Account** – an account opened in the Bank in the name of the Client or several Clients (co-owners), which is used to perform Payment Transactions and/or hold funds. The types of accounts can vary depending on their purpose, i.e., a bank account, a main payment account, a deposit account, a trust account, an investment account, an accumulation account, a savings account, etc.
- 2.34. **Account Information Service Provider** – a Payment Service Provider that provides account information service, i.e., presents, at the Client's request, consolidated information online about one or several accounts held by the Client with the Bank or with other Payment Service Providers.
- 2.35. **Account Number** – the unique identifier (Account number) issued to the Client by the Bank in accordance with the International Bank Account Number (IBAN) standard, which is used to unambiguously identify the Client participating in the Payment Transaction and his/her Account.
- 2.36. **Person related to the Client** – the Client's representative, manager, beneficial owner, user of the Client's account, person standing surety for the Client, person within the Client's structure of ownership and/or control, as well as person that is part of the Client's legal entity group, or person who is part of the same group of companies as the Client and is under joint control.
- 2.37. **Agreement** – a generic term that includes the Main Agreement, Single Payment Agreement or other service agreements related to payment services, e.g., Automatic E-Invoice Payment Agreement, Payment Card Agreement, Periodic Credit Transfer Agreement, etc.
- 2.38. **Authentication Tool** – a physical signature of the Client or the Client's representative, qualified electronic signature generated by means of instruments issued by the Bank or third parties acceptable to the Bank (Mobile-ID, Smart-ID), as well as one-time identification code generated for the Client received by SMS, a generator code, password created by the Client (e.g., in the Secure Online Payment Application), biometric data stored on or read by the Client's smart device (e.g., facial recognition, fingerprint), or other tools (passwords, codes, keys, cards, etc.) used in the manner agreed by the Bank and the Client for the

identification of the Client or the Client's representative, authorisation of Payment Transactions and conclusion of transactions. The Bank shall not assume liability for the functioning, validity and use of an electronic signature that has not been issued by the Bank; therefore, the Client is obliged to personally get acquainted with the rules and procedures set forth by the issuer of the electronic signature and comply with the applicable requirements.

- 2.39. **Terrorist Financing** – the activity defined in the LPMLTF, which involves the giving or raising of funds with the prior intention or knowledge that such funds, or a part thereof, shall be used to commit a crime.
- 2.40. **Foreign Country** – a country that is not a Member State of the European Union and a country that is not a state of the European Economic Area (EEA).
- 2.41. **Member State** – a Member State of the European Union or a state of the European Economic Area (EEA).
- 2.42. **Consumer** – a natural person (Client) who uses Payment Services provided by the Bank under the Agreement for personal, family, household, but not for business or professional needs.
- 2.43. **Single Payment Agreement** – an Agreement, also referred to as one-off Payment Order, which is concluded when the Client wishes to perform a one-off Payment Transaction. In the event of a one-off Payment Transaction, the General Agreement shall not be concluded, and the Client shall not be required to open/have an Account.

### III. CONCLUSION, AMENDMENT, VALIDITY AND TERMINATION OF THE AGREEMENT

#### 3.1. General Agreement

- 3.1.1. The General Agreement is concluded when the Client wishes to open an Account with the Bank and/or perform one-off or recurrent Payment Transactions that require having an Account. The General Agreement is concluded in the Lithuanian or English language. If the Client agrees to cover translation costs, a copy of the General Agreement translated into another language may be provided. The General Agreement is deemed concluded once the Bank and the Client have agreed on the terms of opening the Account, the Payment Transactions performed, and once they have signed the respective General Agreement or submit an approval for the opening of the Account through Electronic Channels, except for the case specified in sub-paragraph 3.1.3, when the signing/approval of the General Agreement is not required.
- 3.1.2. The Bank may refuse to conclude the General Agreement, if the conclusion thereof would be contrary to the mandatory statutory requirements, the internal policies of the Bank, or other conditions provided for in the *General Rules* exist.
- 3.1.3. If the funds are received on behalf of the Client in a currency other than the currency of the Account, the Bank has the right (but is not required) to

assign a new currency to the Client to credit the funds received under the same Account Number without a separate request of the Client.

- 3.1.4. The General Agreement is valid for an indefinite period of time, unless otherwise specified therein.
- 3.1.5. The Bank has the right to unilaterally amend the terms and conditions of the General Agreement having informed the Client thereof as set out in the *General Rules* not later than sixty (60) calendar days in advance, unless there are circumstances in which other time limits for notification provided for in the *General Rules* apply. Should the Client inform the Bank before the effective date of changes to the General Agreement that he/she does not accept the changes, the Client shall have the right to terminate the General Agreement or opt for the account switching service. The Client is required to notify the Bank of the termination of the General Agreement in writing or through the Electronic Channels. The Client shall be deemed to have accepted the changes, and the changes shall take effect on the specified effective date if the Client did not inform the Bank that he/she does not accept the changes before the effective date thereof. Termination of the General Agreement shall serve as grounds to close the Account.
- 3.1.6. The Client may terminate the General Agreement at any time by informing the Bank thereof in writing, unless the *Payment Rules* or the applicable legislation provide otherwise. Upon termination of the General Agreement, the Client shall remain obliged to pay the Bank for the services duly provided to the Client by the Bank.
- 3.1.7. Upon termination of the General Agreement, unless less than six (6) months have elapsed from the date of its effective date, or upon termination of the General Agreement before the effective date of its amendments, as provided in sub-paragraph 3.1.5, the Client shall not be charged any Commission Fee. In other cases, the Client shall pay to the Bank the Commission Fee for the termination of the General Agreement specified in the *Service Rates* (if applicable).
- 3.1.8. The Account may not be closed at the Client's request if it is linked to other services used by the Client, where such services could not be provided without the Account, e.g., there is a deposit agreement in place, or the Account containing funds is subject to third-party restrictions (seizure) as provided for by law. In this case, the Client must provide the Bank with an instruction from the third party that has restricted the Account where to transfer the restricted funds.
- 3.1.9. The Bank may unilaterally terminate the Agreement and close the Account, if:
  - 3.1.9.1. there are no funds in the Client's Account for more than one year;
  - 3.1.9.2. the Account is inactive, i.e., no Payment Transactions have been performed on the Client's Account for more than one year (transactions do not include exchange rate conversions, payment of interest on the Bank account balance, payment of fees specified in the *Service Rates*, etc.);



- 3.1.9.3. the validity of the General Agreement is contrary to the statutory requirements or internal policies of the Bank, or creates other negative consequences for the Bank which it could not have foreseen at the time of conclusion of the General Agreement, and which could not be controlled or avoided if the General Agreement remained valid;
- 3.1.9.4. the Client commits a material breach of the General Agreement and fails to eliminate the breach within the term specified by the Bank;
- 3.1.9.5. the continued validity of the General Agreement is not possible due to objective reasons (for example, the Bank terminates the provision of payment services, or the provision of certain payment services directly related to the General Agreement, or is unable to provide such services due to other reasonable circumstances);
- 3.1.9.6. the Client has died or has been de-registered from the Register of Legal Entities (in the case of a legal entity);
- 3.1.9.7. the Client (legal entity) is subject to bankruptcy proceedings and the insolvency administrator fails to notify the Bank that it shall perform the General Agreement within 30 calendar days from the date of entry into force of the court order to open bankruptcy proceedings;
- 3.1.9.8. there are circumstances provided for in the *General Rules* that give the Bank the right to suspend the provision of some or all Payment Services and/or terminate the General Agreement.
- 3.1.10. The Bank shall inform the Client of the termination of the General Agreement in writing or through the Electronic Channels not later than sixty (60) calendar days in advance; if the Client is not a Consumer, the Client shall be informed at least thirty (30) calendar days before the termination date of the General Agreement. In the cases provided for in the *General Rules*, the Bank may deviate from the terms specified herein and terminate the General Agreement by giving the Client a shorter notice.
- 3.1.11. The Bank shall have the right to terminate the General Agreement even if a seizure of funds available on the Account has been registered or other restrictions of the disposal of the funds apply. It also has the right to close the seized account, where the funds cannot be automatically transferred through the PLAIS due to the insufficient amount. If the Client has several seized accounts, where the funds cannot be automatically transferred through the PLAIS due to the insufficient amount, the Bank shall unilaterally transfer the funds to one of the Client's accounts for the purpose of automatic debiting of the funds through the PLAIS, and shall close the accounts that contain no funds in accordance with the conditions set out in these *Payment Rules*.
- 3.1.12. Upon termination of the General Agreement, the balance available on the Client's Account shall be paid out in cash or, at the instruction of the Client, transferred to another Account; if no such instruction has been received from the Client, the Bank shall transfer the funds to the internal account of the Bank and shall close the Client's Account. If, upon termination of the business relationship, the Client fails to transfer the funds to any other account, the Bank shall charge a funds administration fee specified in the *Service Rates* for the safekeeping of the Client's funds. The Client's funds shall be paid out from the internal account of the Bank to the Client or other third parties at any time upon submission of a written request to the Bank and such other documents as may be requested. Upon closing the Account, the provision of other services of the Bank related to the Account, where such services cannot be provided without having an Account (e.g., automatic payment of e-invoices, periodic credit transfer service, Payment Instrument, etc.) shall be terminated.
- 3.1.13. Payment Transactions initiated under the General Agreement before its termination date shall be executed, unless the Parties agree otherwise, or the Bank is unable to execute the Payment Transaction on other grounds.
- 3.1.14. The Client shall pay the Commission Fee charged regularly for Payment Services in proportion to the period remaining until the date of termination of the General Agreement. If the Commission Fee has been paid in advance, it shall be refunded proportionately.
- 3.1.15. Where the Consumer terminates the Bank Account Agreement, the Bank shall issue free of charge a written or electronic (through Electronic Channels) information (Statement) about the Payment Transactions performed on the account over the past 36 months; if less than 36 months have elapsed from the date of conclusion of the Bank Account Agreement, the Statement shall be issued for the entire effective period of the Bank Account Agreement. If the Consumer uses the online banking service, he/she shall, prior to the termination of the Bank Account Agreement, download and/or print out the Statement himself/herself, which shall be deemed to be a proper method of delivery of the Statement, or, within a maximum of 30 days after the closure of the bank account, contact the Bank to obtain the Statement. This information shall not be provided to the Consumer if the Consumer waives the right to receive such information by informing the Bank thereof in writing or through Electronic Channels before the termination date of the Bank Account Agreement. If the Client terminating the Bank Account Agreement is not a Consumer, the information referred to herein shall not be provided.
- 3.1.16. At the beginning of each calendar year, the Bank shall provide the Consumer free of charge with a report on the total Commission Fee related to the Bank Account for the previous year; the report shall be provided on the Internet Bank account of the Consumer or in the mobile application of the Bank. If the Consumer does not use the Internet Bank or the mobile application of the Bank, the

- report on the Commission Fee shall be sent to the email address specified by the Consumer. The Consumer may also receive the report on the Commission Fee free of charge at any Bank branch not later than before the end of the current calendar year. Upon termination of the Bank Account Agreement by a Consumer, the Consumer shall receive the report on the Commission Fee for the period from the beginning of the calendar year to the termination date of the Bank Account Agreement. In the event of termination of the Bank Account Agreement on the Bank's initiative, the Consumer may collect the report on the Commission Fee by contacting the Bank directly.
- 3.1.17. If the Client's Account is subject to third-party restrictions (e.g., seizures), the Bank shall have the right to refuse to open a new Account for the Client.
- 3.1.18. The Bank shall have the right to require that when concluding a Term Deposit, Surety, Guarantee Agreement for securing the fulfilment of obligations of third parties to the Bank, or an Agreement for other services of the Bank, the Consumer has a limited-use payment account for the administration of that service.
- 3.2. Single Payment Agreement**
- 3.2.1. A Single Payment Agreement is concluded if the Client wishes to perform a one-off Payment Transaction, for the performance of which the Bank does not require opening an Account, e.g., acceptance of cash to execute a one-off Payment Transaction. A Single Payment Agreement is concluded in the Lithuanian language.
- 3.2.2. Payment Services under Single Payment Agreements are provided only in the customer service units of the Bank.
- 3.2.3. A Single Payment Agreement is deemed concluded once the Bank and the Client have agreed on the terms of a one-off Payment Transaction and signed the Single Payment Agreement (Payment Order form), where the Bank provides and introduces the Client to:
- 3.2.3.1. the precise information necessary for the proper initiation and execution of the Payment Order (i.e., details of the Payer and the Beneficiary, the amount payable, payment or other identification code or purpose specified by the Payer, if they are requested by the Beneficiary);
- 3.2.3.2. Account Number that must be specified by the Payer so that the Payment Order can be properly executed;
- 3.2.3.3. the Commission Fee payable by the Payer to the Bank.
- 3.2.4. The Single Payment Agreement remains valid until the Payment Transaction has been fully executed.
- 3.3. Main Payment Account**
- 3.3.1. The Bank offers the Main Payment Account service to Consumers legally resident in a Member State. The Consumer shall be required to present documents in support of the Consumer's professional, economic, social or personal ties with the Republic of Lithuania as well as evidence that he/she is not using the Main Payment Account service of other Payment Service Providers operating in Lithuania.
- 3.3.2. Not later than within 10 business days from the date of receipt of the Consumer's application and all necessary information, the Bank shall take a decision to open the Main Payment Account and conclude the General Agreement with the Consumer or shall refuse to open the account.
- 3.3.3. The Bank shall open the Main Payment Account in euros.
- 3.3.4. The Bank shall have the right to refuse to open the Main Payment Account, if:
- 3.3.4.1. the Consumer already has a Main Payment Account with a Payment Service Provider operating in the Republic of Lithuania;
- 3.3.4.2. the Consumer failed to provide evidence of his/her professional, economic, social or personal ties with the Republic of Lithuania;
- 3.3.4.3. the opening of the Main Payment Account would violate the provisions of the LPMLTF or the legislation governing the application of sanctions;
- 3.3.4.4. the Consumer's Account opened under the Bank Account Agreement is subject to third-party restrictions (e.g., seizures).
- 3.3.5. Having refused to open the Main Payment Account, the Bank shall inform the Consumer thereof and specify the reasons of such refusal, unless notification to the Consumer would be contrary to the purposes of the LPMLTF. If the Bank refuses to open the Main Payment Account, the Consumer shall have the right to refer the dispute out of court to the Supervisory Authority.
- 3.3.6. A Consumer who has a bank account shall have the right to switch this Account to a Main Payment Account free of charge, while retaining the Account Number, and shall have the right to switch the Main Payment Account to a regular bank account.
- 3.3.7. Payment Services included in the Main Payment Account service and the Commission Fee charged for the Main Payment Account are specified in the *Service Rates*. The Commission Fee shall be charged regardless of whether the Consumer uses all or only part of Payment Services included in the Main Payment Account service.
- 3.3.8. Should the Consumer exceed the specified amount of services and Payment Transactions included in the Main Payment Account or the permitted maximum amount of cash to be withdrawn over one calendar month, the Bank shall charge a Commission Fee specified in the *Service Rates* on the number of Payment Transactions or the withdrawn amount of cash exceeding the specified limits.
- 3.3.9. Consumers receiving social benefits granted to low-income citizens under the *Law on Cash Social Assistance for Poor Families and Single Residents* (hereinafter, socially disadvantaged

- Consumers), shall be charged a Commission Fee for the Main Payment Account service that is 50 per cent lower than the maximum Commission Fee.
- 3.3.10. The Bank shall identify socially disadvantaged Consumers based on the information available in the Information System of Social Assistance to Families, which is received at least once a calendar month. The Bank shall charge the reduced Commission Fee from the date on which the Consumer is included in the database of the Information System of Social Assistance to Families and as long as the socially disadvantaged Consumer remains registered in the database.
- 3.3.11. The Commission Fee charged on the Main Payment Account shall be debited from the Main Payment Account on the last calendar day of each month. Payment of the Commission Fee for other Payment Services provided by the Bank shall be made in accordance with Section 4 of the *Payment Rules*.
- 3.3.12. Should the Supervisory Authority set a new maximum Commission Fee for the Main Payment Account service and/or change the Payment Services and Payment Transactions included in the Main Payment Account or the number thereof, the Bank shall review and, if necessary, unilaterally change the package of Payment Services and Payment Transactions included in the Main Payment Account service and/or the Commission Fee charged on the Main Payment Account, and shall apply the changes not later than on the date of the Supervisory Authority's decision introducing the new Payment Services and Commission Fee.
- 3.3.13. The Bank shall have the right to unilaterally terminate the General Agreement in relation to the Main Payment Account, if at least one of the following circumstances exists:
- 3.3.13.1. the Consumer has breached the provisions of the LPMLTF concerning the measures of prevention of money laundering and/or terrorist financing or otherwise knowingly used the Main Payment Account for illegal purposes;
- 3.3.13.2. no Payment Transactions have been performed in the Main Payment Account for more than 24 consecutive months;
- 3.3.13.3. the Consumer presented false information for the purpose of opening the Main Payment Account;
- 3.3.13.4. the Consumer failed to provide evidence of his/her professional, economic, social or personal ties with the Republic of Lithuania upon the Bank's request;
- 3.3.13.5. the Consumer is no longer considered a Consumer legally residing in the Member State;
- 3.3.13.6. it is found that the Consumer holds payment account with another Payment Service Provider operating in the Republic of Lithuania, which gives him/her access to the Main Payment Account service;
- 3.3.13.7. there are circumstances provided for in these *Payment Rules* and *General Rules* that give the Bank the right to suspend the provision of Payment Services and/or terminate the General Agreement.
- 3.3.14. Having decided to terminate the General Agreement in relation to the Main Payment Account pursuant to sub-paragraphs 3.3.13.2, 3.3.13.4–3.3.13.6, the Bank shall inform the Consumer thereof in writing at least 2 months before the termination of the Main Payment Account, unless such notification would be contrary to the objectives of national security or public order. Where the circumstances provided for in sub-paragraphs 3.3.13.1, 3.3.13.3 and 3.3.13.7 exist, the General Agreement shall be terminated with immediate effect and the Consumer shall be notified thereof.
- 3.3.15. The Bank may choose not to terminate the Main Account Agreement as set out in sub-paragraph 3.3.13, and to change the Main Payment Account to an Account, if the circumstances provided for in sub-paragraphs 3.3.13.4–3.3.13.6 exist, and, from the date of such change, to charge the Commission Fee on the Payment Services provided as specified in the *Service Rates*.
- 3.3.16. When using the Main Payment Account service, the Consumer shall be subject to all other terms and conditions set out in these *Payment Rules*, unless otherwise provided for in paragraph 3.3.

#### **IV. COMMISSION FEE, PAYMENT OF INTEREST, CHANGING INTEREST RATE AND CURRENCY**

- 4.1. For the services provided by the Bank, the Client shall pay to the Bank a Commission Fee set by the Bank and applicable on the date of the Payment Transaction or the respective service, which shall be specified in the *Service Rates* and/or the Agreement and/or the Payment Order. If the Client performs a Payment Transaction for the execution of which the Commission Fee is charged not only by the Bank, but also by another party involved in the execution of the Payment Transaction (e.g., the Bank's correspondent bank, or other foreign banks), the Client shall be subject to the fees charged by these foreign banks and/or the Bank's correspondent bank. The Commission Fee shall be paid/debited from the Account at the moment of execution of the Payment Transaction or provision of the Payment Service, or immediately after the provision of the Payment Service, or at any time thereafter if the Commission Fee has not been charged at the time of the provision of the Service, unless these *Payment Rules*, *Service Rates* or *Terms of Service* provide otherwise.
- 4.2. The Bank shall have the right to debit the Commission Fee from the Client's Account without a separate consent of the Client. The Client shall ensure sufficient funds in the Account for the payment/debiting of the Commission Fee. If there



- are insufficient funds in the Account for the payment/debiting of the Commission Fee, the Bank shall have the right to debit the Commission Fee from other Accounts opened by the Client in the Bank (if the Client holds several Accounts with the Bank) or from the Credit Limit granted to the Client (if any). If there are no funds in these Accounts, the Bank shall have the right to refuse to execute the Payment Transaction and/or provide the service. If the Bank has executed the Payment Transaction or provided the service and the funds in the Account are not sufficient for the payment of the Commission Fee, the Bank shall debit the Commission Fee for the Payment Transaction or the service at any later time, when funds are credit to any of the Client's Accounts.
- 4.3. The Bank may withdraw the Commission Fee for the Payment Transaction payable by the Client/Beneficiary from the amount transferred to the Client/Beneficiary prior to crediting it to the Client's/Beneficiary's Account, if this is separately agreed by the Parties.
- 4.4. Upon an instruction of the Bank, the Client shall pay the Commission Fee in cash before performing the Payment Transaction or receiving the service from the Bank.
- 4.5. The Commission Fee shall be paid in the currency specified in the *Service Rates* and/or the Agreement. Fees charged by foreign Payment Service Providers shall be debited from the Client's Account in the currency specified/provided by foreign Payment Service Providers.
- 4.6. If the Bank applies Contractual Rates to the Client for the use of Payment Services and it is found that the Client's behaviour or activities create financial, operational or reputational risk for the Bank, or communication with the Client becomes unconstructive, the Bank shall unilaterally suspend the application of Contractual Rates to the Client and shall be charging the Commission Fee specified in the *Service Rates* from the date specified in the respective notice.
- 4.7. Irrespective of the Payment Transactions performed and/or restrictions applied to the Account, the Client shall pay to the Bank the Account service fee specified in the *Service Rates* which shall be debited by the Bank from the Client's Account on the last calendar day of each month. If there are insufficient funds for the debiting of the Account service fee, the fee shall be debited as set out in paragraphs 4.2 and 4.8.
- 4.8. If there are insufficient funds in the Account for the payment/debiting of the Commission Fee in the currency specified in the *Service Rates* and/or the Agreement, the Bank may apply the Reference Exchange Rate and convert the currency of the funds available in the Account to the currency specified in the *Service Rates* and/or the Agreement.
- 4.9. The *Service Rates* may provide, or the Bank and the Client may agree in writing that the Bank shall pay to the Client interest on the funds held in the Account. If the Bank pays interest to the Client, such interest shall be calculated on the balance available in the Account, which shall be determined on a daily basis after the last Payment Transaction performed in the Account on the respective day. Interest shall be calculated using the following formula: *the amount of funds x interest rate / 100 / actual number of days in the year (365 or 366) x 30 (if interest is calculated for part of a month, the actual number of days of that month is used instead of 30)*. When calculating the amount of interest payable to the Client, a month shall be deemed to have thirty (30) days and a year – the actual number of days. On the 30<sup>th</sup> day of each month (on the last day of February), the amount of interest rate calculated for the calendar month shall be transferred to the Client's Account. If the Bank applies/calculates negative interest for the Client, such negative interest shall be calculated on the balance available in the Account as set out in the *Service Rates*; the balance shall be determined on a daily basis after the last Payment Transaction performed in the Account on the respective day. Interest shall be calculated each day using the following formula: *the amount of funds x interest rate / 100 / 360*. Negative interest calculated for the current month shall be debited from the Client's Account before the 10<sup>th</sup> day of the following month.
- 4.10. If the legislation of the Republic of Lithuania provides for the taxation of income received in Lithuania, the Bank shall unilaterally and without any separate notification deduct and pay the tax to the state budget of the Republic of Lithuania when paying the interest to the Client.
- 4.11. If, upon execution of a Payment Transaction, the Bank pays out funds from the Account or allows initiating the Payment Transaction without checking whether there are funds in the Account (overdraft or exceeding the balance), it shall be recognised that the Bank provides the Client with a credit in the respective amount as of the moment of disbursement of funds, which the Client shall be required to repay to the Bank. For the overdraft granted and used, the Client shall pay to the Bank interest provided for in the Agreement (in the *Service Rates*, if not provided in the Agreement) which shall be charged on a daily basis until the credit used is repaid to the Bank. If the Bank has granted a Credit Limit to the Client, it shall be deemed that the Client has a debt to the Bank (exceeded the balance available in the Account), when the Credit Limit granted to the Client is exceeded. The Client shall pay to the Bank interest calculated on the exceeded balance during the current calendar month on the 30<sup>th</sup> day of each calendar month (if there is no such day in the month, on the last day of the month). Interest shall be paid in the currency of the Account.
- 4.12. The Bank shall apply the new Reference Exchange Rate and the new Basic Interest Rate immediately and without separate notice. The Client can find information on the Reference Exchange Rate introduced, changed and



- published by the Bank, and changes to the Basic/Base Interest Rate published in publicly available sources on the website of the Bank at [www.sb.lt](http://www.sb.lt) or in customer service units of the Bank.
- 4.13. Prior to using the currency exchange service, the Client shall become acquainted with the Commission Fee charged on the currency exchange service and the currency exchange rate applicable upon exchanging the currency. Once the currency exchange service has been provided, the Client shall be deemed to have agreed with the Commission Fee and the currency exchange rate.
  - 4.14. Clients using Payment Instruments may be charged additional fees applicable by trading companies or service providers; the Bank shall not be liable for the application of such fees.
  - 4.15. If the Payer withdraws from an ATM cash in a currency of a Member State (other than euro) or pays for goods and services in a currency of a Member State (other than euro) and uses a Payment Instrument (payment card) intended for payments in euro, immediately after the reservation of funds of the Payment Transaction, the Bank shall notify the Payer via the mobile application about the currency conversion fee applied in accordance with the official rate of the European Central Bank. The same notification shall be sent to the Payer again (once a month), if the Bank receives from the Payer a Payment Order in the same currency. The Payer shall have the right to choose not to receive such notifications by disabling them in the mobile application of the Bank. Notifications referred to herein shall not be sent to Payers who are not Consumers. More information about currency conversion upon payment by card is available on the website of the Bank.
  - 4.16. The Bank offers packages of Payment Services related to the Account. Once the Client has chosen a Payment Service Package and subscribed to a Service Plan, the Client shall pay to the Bank a Commission Fee applicable to the respective Service Plan, regardless of whether the Client used all or part of Payment Services included in the Payment Service Package during the relevant calendar month. Should the Client exceed the amount of services, or the number of Payment Transactions included in the Payment Service Package, or the permitted maximum amount of cash to be withdrawn over one calendar month, the Client shall pay to the Bank a Commission Fee specified in the Service Rates for each additional Payment Service, Payment Transaction or the withdrawn amount of cash exceeding the specified limits. The terms and conditions of application, modification and withdrawal from the Service Plan are regulated in the *Terms of Use of Service Plans*, which are available on the Bank's website.
  - 4.17. Information on unpaid Commission Fees shall be made available to the Client in the Internet Bank or at the Bank's branch.

## V. TERMS OF PAYMENT SERVICES

- 5.1. The Bank shall have the right not to apply or partially apply some provisions of the *Payment Rules* in accordance with the exceptions provided for in the Law. Furthermore, if the Client is not a Consumer, and if this is expressly stated in these *Payment Rules*, he/she may be subject to other terms and conditions of the Payment Transactions performed or the Payment Services provided.
- 5.2. In addition to the general terms of provision of Payment Services set forth in these *Payment Rules*, other special terms of individual Payment Services, for example, periodic credit transfer service, use of Credit Limit on the Account, use of Payment Instruments, automatic payment of e-invoices, use of Service Plans, transfer of the Account, etc., are regulated in the respective *Terms of Service*, Agreements on the provision of the respective services, and the applicable legislation.
- 5.3. **Payment Order Information**
  - 5.3.1. Payment Orders submitted by the Client (both oral and written) shall be clear, unambiguous, and possible to execute. The Client is responsible for the accuracy of the details of the submitted Payment Order and must check these details before signing/confirming the Payment Order. The Bank shall not be liable for errors, discrepancies, repetitions and/or contradictions in the Payment Orders submitted by the Client, including, but not limited to, the accuracy of the details in the Payment Order submitted by the Client.
  - 5.3.2. The Bank shall accept the Payment Order if it meets the statutory requirements or the requirements applicable by the Bank to the submission and/or contents of such Payment Order.
  - 5.3.3. **The Bank shall credit funds to the Beneficiary's Account or transfer funds from the Payer's Account to the Beneficiary's Account according to the Account Number specified in the Payment Order received by the Bank and shall not check whether the Account Number specified in the Payment Order corresponds to the Beneficiary's (Account holder's) name, surname (company name) or other identifier of the Beneficiary.** If additional information is provided in the Payment Order in addition to the Account Number, the Bank shall be responsible for executing the Payment Transaction based on only the Account Number specified in the Payment Order, and such Payment Transaction shall be deemed properly executed.
  - 5.3.4. If the Account Number specified by the Client is wrong (it does not correspond to the Beneficiary's name, surname, company name), the Bank shall not assume liability for improper execution of the Payment Transaction as set out in paragraph 6.4; however, it shall take all possible measures to track the Payment Transaction and seek to

- recover the funds of the Payment Transaction as provided for in paragraph 5.7.
- 5.3.5. When executing Payment Orders initiated by the Client, the Bank transfers the information provided in the Payment Order to the Beneficiary's Payment Service Provider (including the Client's personal data provided in the Payment Order). The Bank shall have the right to ask the Client to provide other required and/or additional information, e.g., payment code, code of the correspondent bank, other details that must be provided to the Bank for the proper execution of the Payment Order.
- 5.3.6. Payment Orders in foreign currencies (also in euro) for the transfer of funds to Member States or Foreign Countries may be adjusted and cancelled. When adjusting a Payment Order, the amount and currency of the Payment Order, the Payer's Account or name may not be changed. For the adjustment or cancellation of a Payment Order, the Bank charges a Commission Fee specified in the *Service Rates*. The Bank may also charge fees set by the correspondent bank and/or Beneficiary's service provider.
- 5.3.7. If some details are missing in the submitted Payment Order or the Payment Order has other deficiencies, the Bank may refuse to execute the Payment Order or may execute it according to the Account Number specified in the Payment Order, depending on the nature of deficiencies of the Payment Order.
- 5.4. **Receipt of a Payment Order and Execution of Payment Transactions**
- 5.4.1. If a Payment Transaction is initiated by the Client, the Payment Order shall be deemed received on the date of receipt thereof in the Bank, where the Payment Order is received within the time limits specified in the *Service Rates* or the website of the Bank (the time limit for the execution of such a Payment Order shall commence). If the Payment Order is received in the Bank after the time limit specified in the *Service Rates* or the website of the Bank, or on a non-Bank Business Day, the Payment Order shall be deemed received on the first Bank Business Day following the day on which the Payment Order was submitted to the Bank.
- 5.4.2. By agreement of the Parties, the Payment Order may be executed on a specific day or at the end of a certain period or on the day when the Client (Payer) delivers the funds to the Bank. In such event, the Payment Order shall be deemed received in the Bank on that agreed day. If the agreed day is not a Bank Business Day, the Payment Order shall be deemed received on the following Bank Business Day.
- 5.4.3. The Payment Order shall be executed only after it is deemed to have been received, in accordance with the time periods of execution of Payment Transactions specified in the *Service Rates* and the procedure established by the Law.
- 5.4.4. The Bank shall debit the amount of the Payment Order and the Commission Fee from the Client's Account on the day on which the Payment Transaction is performed in the Bank. The Payer shall ensure that there are sufficient funds in the Account in the appropriate currency so that the Payment Order can be executed, and the Commission Fee can be paid not only on the day of receipt of the Payment Order in the Bank, but also at the moment of execution of the Payment Order, i.e., when the funds are actually debited from the Account. If there are insufficient funds in the Account in the appropriate currency at the moment of execution of the Client's Payment Transaction, the Bank shall have the right to refuse to execute the Payment Order.
- 5.4.5. If the Bank agrees to accept a Payment Order that does not contain all the information required for the execution of the Payment Order (e.g., Payment Transaction code, incomplete purpose of payment, etc.), the Payment Order shall be deemed received at the moment when the Bank is provided with all the information required to execute the Payment Order.
- 5.4.6. Where Payment Orders are submitted by third parties in the cases provided for in legal acts, or these *Payment Rules* or the Agreement provide for the right of the Bank to unilaterally debit funds payable by the Client to the Bank from the Account without a separate consent of the Client, the Bank shall execute the Client's Payment Orders only after executing the instructions submitted by third parties and/or debiting the amounts payable by the Client to the Bank from the Account.
- 5.4.7. If funds in the Client's Account have been seized or the Client's right to dispose of the funds has been otherwise restricted, and the Client wishes to perform a Payment Transaction in cash (not in the Account) (e.g., repay a debt, pay taxes, fines, etc.), the Bank shall not provide the cash transfer service.
- 5.4.8. The Bank shall be deemed to have fulfilled its obligation to execute a Payment Order submitted by the Payer, if the Bank has transferred the amount of the Payment Transaction to the account of the Beneficiary's Payment Service Provider or an intermediary of the Beneficiary's Payment Service Provider (correspondent bank) (the moment of execution of the Payment Order). The Beneficiary's Payment Service Provider and/or its intermediary (correspondent bank) shall be responsible for the final transfer of the Payment Transaction amount specified in the Payment Order.
- 5.4.9. When executing Payment Transactions, the Bank does not assume liability for the actions of the intermediary (correspondent bank) and/or the Beneficiary's Payment Service Provider or its intermediary (correspondent bank), e.g., changes made to the details of the Payment Order, converted Payment Transaction funds, any mistakes made and/or delayed execution of the Payment Order, and/or failure to execute/improper execution of the Payment Order, which occurred due to the internal policies, preventive measures of the correspondent bank or the Beneficiary's

- Payment Service Provider and/or its intermediary, or other circumstances that the Bank could not have foreseen or influence, and the Bank shall not refund the Commission Fee paid by the Client for the properly provided service.
- 5.4.10. The Bank shall credit the funds received to the Client's Account in the currency of the Payment Transaction. Cash shall be credited to the Client's Account or paid out from the Client's Account in currencies included in the exhaustive list of cash currency purchase/sale rates available on the website of the Bank.
- 5.4.11. If the Client submits a Payment Order to the Bank via Electronic Channels but does not confirm (authorise) it for more than 60 calendar days, the Bank shall have the right to cancel (delete) such Payment Order and to consider that the Payment Order has not been submitted to the Bank.
- 5.4.12. When the Client makes a payment by card and wishes to use the currency of another Account that is not linked to the payment card, the Client must convert the funds into the currency of the Account linked to the payment card. The ATM shall display to the Client only the currency balance of the Account that is linked with the payment card.
- 5.4.13. In order to pay for goods and/or services online with a payment card, the Client must activate the secure online payment functionality in the Internet Bank and provide the merchant with the payment card data (full name/company name, card number, card expiry date, CVV2/CVC2 code (digits on the back of the payment card)), and confirm his/her identity with the available Authentication Tools, if required. The Bank shall have the right to refuse to execute a Payment Order performed by submitting the payment card data referred to in this paragraph if the payment card does not have the online secure payment functionality activated and/or the Payment Order has not been additionally confirmed by means specified by the Bank.
- 5.4.14. Payment Orders may be submitted using various Payment Instruments, e.g., smart devices (telephones, watches, rings, keychains, bracelets, etc.), which are linked to the payment card issued to the Client through the digital wallet installed on them or through other technological means installed for the performance of Payment Transactions.
- 5.5. **Cancelling or Rejecting a Payment Transaction/Payment Order**
- 5.5.1. A Payment Order may not be cancelled once it has been received by the Bank, except in the cases specified in the *Payment Rules* or the applicable legislation.
- 5.5.2. If the Payment Order is submitted after the business hours of the Bank specified in the *Service Rates* or on a non-Bank Business Day, and it has not been executed yet, the Payer may cancel the submitted Payment Order before the following Bank Business Day via the Internet Bank or the mobile application of the Bank.
- 5.5.3. If a Payment Transaction is initiated by a Payment Initiation Service Provider or by or through the Beneficiary, the Client may not cancel the Payment Order once the Payment Initiation Service Provider has received the Client's consent for the initiation of the Payment Transaction or the Beneficiary has received the Client's consent for the execution of the Payment Transaction.
- 5.5.4. Payment Orders specified in sub-paragraph 5.4.2 may be cancelled not later than by the end of the Bank Business Day preceding the agreed day.
- 5.5.5. Upon execution of the Payment Order by the Bank, the Payment Order may not be revoked, unless the Beneficiary provides consent to return the funds to the Payer.
- 5.5.6. The Bank shall have the right to charge a Commission Fee for the revocation of a Payment Order in the amount specified in the *Service Rates*.
- 5.5.7. If the details of the Payment Order provided by the Payer are wrong or funds are received in the Beneficiary's Account that is closed or in the accounts to which funds cannot be credited (e.g., internal account of the Bank, deposit account, etc.), the Bank shall not execute the Payment Transaction (shall not credit the funds) and shall return the funds to the Payer. An exception applies if, after closing the Client's Account, funds of a Payment Transaction are returned to the Client due to reasons beyond the Bank's control, in which case the Bank shall credit the funds received to another Account held by the Client, or shall transfer the funds to an internal account of the Bank and pay them out to the Client as soon as the Client contacts the Bank.
- 5.5.8. The Bank shall not accept and shall not execute a Payment Order to execute a Payment Transaction from the Account if the funds in the Account have been seized or the Client's right to dispose of the funds has been restricted in accordance with the procedure stipulated by law. If the Account has a freely disposable (not to be collected) amount of funds and the Bank receives information (commentary) from the Register of Property Seizure Acts about the possible Payment Transactions, the Bank shall execute the Payment Order only if the amount of the Payment Order does not exceed the amount of the freely disposable (not to be collected) amount of funds set out in the property seizure act, the time limit, if any, within which a Payment Transaction can be performed has not been missed and the Payment Order in question is performed for the payee (if any) specified in the property seizure act.
- 5.5.9. The Bank shall have the right to refuse to execute a submitted Payment Order if it has reasonable doubts as to whether the Payment Order was submitted by the Client or his/her/its legal representative or user of a Payment Instrument, or the documents presented to the Bank have been falsified, the requirements for the safe use of Authentication Tools have been breached, or there are reasonable doubts as to the legitimacy of the

Payment Order submitted to the Bank. Upon detection of a suspicious Payment Transaction, the Bank may contact the Client and ask him/her to confirm/deny the initiation of the suspicious Payment Transaction or the receipt of the funds and/or provide the Bank with the documents confirming the right to dispose of the funds on the Account or the funds received, or other documents specified by the Bank. If the Bank cannot reach the Client using the contacts provided to the Bank, or, when contacted by the Bank, the Client does not confirm the Payment Transaction or fails to provide the documents requested by the Bank, the Bank may refuse to execute such unauthorised Payment Transaction and, if necessary, block the Account, Payment Instrument and/or other Authentication Tools issued to the Client by the Bank.

5.5.10. The Bank shall have the right not to execute or, for a period not exceeding three (3) Bank Business Days, to suspend for verification a potentially unusual Payment Transaction (including Instant Payments) and to inform the Client thereof on the same day, except where such notification is not possible on the grounds provided for by law. For example, if the Client delays in providing information or provides only part of the requested information, fails to cooperate with the Bank, the volume of documents provided by the Client is large, the documents are in a foreign language or for other objective reasons, the Payment Transaction may be suspended for a longer period for the purposes of controlling the risk of money laundering, terrorist financing or Sanctions risk. The Payment Transaction shall be suspended for verification and may not be executed in the following circumstances:

5.5.10.1. in the cases provided for in the LPMLTF and the implementing legislation including, without limitations, where the Client fails to provide information confirming his/her identify, or the information provided by the Client is incomplete or incorrect, or the Client or the Client's representative avoids providing the information required for the identification of the Client's representative, hides the identity of the beneficiary or avoids presenting the information required for the identification of the beneficiary, or fails to provide all the required information about beneficial owners, origin of funds, purpose of monetary affairs, documents supporting the monetary transaction (including cash transactions), and other documents requested by the Bank in accordance with the statutory requirements;

5.5.10.2. the Payment Order to execute a Payment Transaction involves persons from countries which, in accordance with the Bank's internal policy, are considered to be at high risk of money laundering, terrorist financing or corruption, or which do not cooperate in the exchange of information (including tax information);

5.5.10.3. the Payment Order is submitted for goods, services or in connection with activities that are unacceptable to the Bank in accordance with the internal policy of the Bank;

5.5.10.4. the Payment Transaction is made to a sanctioned country or region in respect of which the Bank has decided not to execute payments, or the Payment Transaction is directly or indirectly linked to sanctioned persons including sanctioned banks;

5.5.10.5. the Payment Transaction relates to illegal remote gambling activities;

5.5.10.6. the Bank has received instructions from correspondent banks or the beneficiary's Bank not to execute Payment Orders;

5.5.10.7. the Client did not provide or provided unclear details (purpose) of the Payment Transaction.

5.5.10.8. the Client does not comply with agreements with the Bank not to perform Payment Transactions to beneficiaries who are suspected of engaging in fraudulent activities taking advantage of the Client's gullibility, e.g., investment fraud;

5.5.10.9. in other cases provided for in the legislation of the Republic of Lithuania, the European Union and international legislation aimed at preventing money laundering or terrorist financing, or at implementing the applicable Sanctions, or where the Bank is obliged to suspend the Payment Transaction due to other reasons beyond the Bank's control.

5.5.11. In the cases referred to in sub-paragraphs 5.5.9 and 5.5.10, the Bank shall act with the aim of protecting the legitimate interests of the Client, the Bank and/or other persons and shall not be liable to the Client for any failure to fulfil contractual obligations and/or any damage or loss suffered by the Client.

5.5.12. The Bank shall have the right not to accept or execute the Client's Payment Orders, not to accept currency exchange requests, not to accept or execute orders for transactions in financial instruments, not to credit funds to the Beneficiary's account, not to provide other services of the Bank or to suspend/restrict the provision thereof, if the Client fails to provide documents proving the legal grounds and source/origin of the funds related to the execution of the Payment Order, fails to cover all his/her/its debts to the Bank under the Agreements, the interbank settlement systems are down, the global interbank financial market does not function, notifications of suspicious transactions or unacceptable activities of the Client have been received from correspondent banks, or notifications that the Client's Payment Orders shall not be executed, or other unusual market conditions, important technical or other reasons exist. The Bank shall also have the right not to execute a Payment Order or suspend the provision of its services through the Electronic Channels due to technical problems or where a risk exists that the Electronic Channels may be



- used by persons other than the Client, as well as if the Payment Order is not completed in accordance with the Bank's requirements, if there are insufficient funds in the Client's Account for the execution of the Payment Transaction, or there are other important reasons rendering the submitted Payment Orders impossible to execute.
- 5.5.13. The Bank shall have the right to refuse to provide cash transaction services if the Client performing the cash transaction poses an unacceptable risk to the Bank, and in cases where the Payer conducting one-off recurring cash transactions does not have a business relationship with the Bank, the Bank may recommend that the Payer opens a bank account.
- 5.5.14. After refusing to execute a Payment Order submitted by the Client, the Bank shall immediately inform the Client about the refusal to execute it and the reasons of such refusal, unless this is impossible or prohibited by the applicable legislation. A Payment Order that the Bank has refused to execute shall be deemed not received.
- 5.6. **Terms of Execution of Payment Transactions**
- 5.6.1. Credit Transfers initiated by the Client can be regular, urgent, express and instant. The Client shall choose the manner of execution of the credit transfer. The time limits of executing Credit Transfers are published on the website of the Bank, in the *Payment Rules*, the *Service Rates*, the *Agreements*, the *Terms of Service* and/or the Payment Order.
- 5.6.2. When SEPA credit transfer is performed in the Republic of Lithuania, the Bank, having received the Payment Order, shall transfer the amount of the Payment Transaction to the Beneficiary's Payment Service Provider on the same Bank Business Day, if the Payment Order was received in the Bank before the hour specified in the *Service Rates*. If SEPA credit transfer (Payment Order) is received after the hour specified in the *Service Rates* or on a non-Bank Business Day, the Bank shall transfer the amount of the Payment Transaction to the Beneficiary's Payment Service Provider not later than on the following Bank Business Day.
- 5.6.3. The Bank executes instant payments in euro to other Payment Service Providers that are connected to the instant payment system. Instant payments are executed immediately, on a 24/7 basis, all year round without days off or holidays. If the amount of an instant payment exceeds EUR 100,000, the funds shall be transferred on the terms of a regular or express SEPA credit transfer service. Funds are also transferred on the terms of a regular or express SEPA credit transfer, where, for preventive reasons, the Bank's investigation of an instant payment takes more than 10 seconds, difficulties are experienced with the instant payment system, the Beneficiary's Payment Service Provider does not make it possible for its clients to receive the instant payments, and in other cases, where the Bank cannot provide this instant payment service due to objective reasons. In the cases provided for in the *Payment Rules*, the Bank has the right to restrict the Client's access to the instant payment service.
- 5.6.4. If the Payer and the Bank have agreed that the Payment Order shall be executed on a specific day, and the Credit Transfer is performed in euro in the Republic of Lithuania, the Bank shall transfer the amount of the Payment Transaction to the Beneficiary's Payment Service Provider on the agreed day of execution of the Payment Order; if such day is not a Bank Business Day – on the following Bank Business Day, unless the specific Agreement provides otherwise.
- 5.6.5. Upon receipt of a Payment Order for the transfer of funds in euro to another Member State, the Bank shall transfer the Payment Transaction amount to the Beneficiary's Payment Service Provider not later than by the end of the next Bank Business Day. This period may be extended by one business day, if the Payment Transaction was initiated on the basis of a printed document.
- 5.6.6. If the Payer performs Payment Transactions in the Republic of Lithuania in currencies other than those of the Member States of the euro area or funds are transferred to other Member States in currencies other than those of the Member States of the euro area, having received a Payment Order, the Bank shall transfer the Payment Transaction amount to the Beneficiary's Payment Service Provider not later than within four (4) Bank Business Days, unless the *Service Rates* provide for shorter time limits of execution of such Payment Transactions.
- 5.6.7. If the Bank does not convert the currency of funds of the Payment Transaction intended for the Beneficiary, converts the currency of other Member State into euro, or the currency of one Member State into the currency of another Member State, the Bank shall ensure that the Beneficiary is able to access the Payment Transaction amount as soon as the amount is credited to the account of the Bank. Otherwise, the amount of the Payment Transaction intended for the Beneficiary shall be credited to the Beneficiary's Account within one (1) Bank Business Day after the day on which the amount was credited to the account of the Bank.
- 5.6.8. Once the Client has deposited cash to the Account, he/she/it shall be able to immediately dispose of the funds.
- 5.6.9. Time limits for the execution of Payment Orders may change if the details of the Payment Order are incomplete, or due to the ongoing monitoring of business relationships performed by the Bank, its correspondent bank or other Payment Service Providers as regulated by the legislation on the prevention of money laundering and terrorist financing and/or on the application of Sanctions, as well as in the cases provided for in subparagraphs 5.5.9–5.5.12, 5.6.3. In such event, the Bank shall not be held liable for failure to execute the Payment Transaction or its execution at a later

term than that specified in these *Payment Rules* and shall not reimburse the Client for the resulting losses.

#### 5.7. Tracking of Payment Transactions and Recovery of Payment Transaction Funds

- 5.7.1. Under the conditions referred to in sub-paragraph 5.3.4, the Bank, upon receipt of a request of the Payer or the Payer's service provider (if the Payer is not a client of the Bank), shall mediate and take all possible measures to track the Payment Transaction and recover the Payment Transaction funds. The Bank shall not be liable to the Payer if the funds are not returned from the Beneficiary or, after applying the fees applied by the Beneficiary's service provider and/or the Bank for the refund, only part of the Payment Transaction funds are returned. Funds may be returned to the Payer only with the consent of the Beneficiary, except as provided in these *Payment Rules*.
- 5.7.2. If the Bank received the Beneficiary's consent to return the funds transferred to his/her/its Account by mistake, the Bank shall transfer the returned funds to the Payer and shall have the right to deduct from the transferred amount and to reimburse the Beneficiary for immediate losses incurred due to the crediting/debiting of funds to/from the Beneficiary's Account, also charge a fee from the Payer for the tracking of the Payment Transaction.
- 5.7.3. If the Beneficiary refuses to return the funds credited to his/her/its Account to the Payer or the funds cannot be returned due to other reasons, the Bank shall transfer to the Payer or the Payer's Payment Service Provider all the available information (Beneficiary's full name/company name, date of birth, contact details) which, in the opinion of the Bank, is necessary for the Payer to take legal measures to recover the funds.
- 5.7.4. If the Payment Transaction has been executed from another Payment Service Provider's institution and the Bank receives a request from the Payer's Payment Service Provider or the Payment Service Provider's intermediary to return to the Beneficiary's Account the funds not yet credited to the Bank, which were transferred by mistake or due to fraud, the Bank shall return such funds to the Payer's Payment Service Provider or its intermediary without informing the Beneficiary thereof.
- 5.7.5. If the Bank receives reasonable evidence (e.g., a report/instruction from law enforcement officials, Payment Service Providers, etc.) that funds have been transferred to the Beneficiary through fraudulent or criminal means, the Bank shall have the right to restrict the availability of such funds in order to prevent a criminal act. For the purpose of investigating the information received, upon the Bank's instruction, the Beneficiary shall provide information/documents that would allow to assess the origin and source of funds, basis and purpose of the Payment Transactions, and that would confirm or deny the suspicions of financial fraud. If

the fact of financial fraud is established and if the Account is not seized, the Bank has the right to unilaterally debit the funds received from the Beneficiary's Account (if any) and return them to the Payer or the Payment Service Provider or its intermediary.

- 5.7.6. If funds transferred according to a Payment Order are returned to the Payer due to reasons beyond the Bank's control (e.g., the Beneficiary does not have an account in the currency of the Payment Transaction, the Beneficiary's account is closed, details of the Payment Order are inaccurate (e.g., the Member State code or the code of a bank of a Foreign Country or other details required by the Beneficiary's Payment Service Provider are missing), the Payment Order was submitted from the Payer's Account by unauthorised person (other than the Client or his/her/its legal representative (e.g., in the event of fraud), under conditions referred to in sub-paragraph 5.5.9 or 5.5.10, etc.), the returned amount shall be credited to the Payer's Account held with the Bank. The Commission Fee paid by the Payer for the execution of the Payment Order, including correspondent bank and/or foreign bank charges, shall not be refunded, and the Commission Fee and other costs related to refunding/crediting of funds shall be debited from the Payer's Account. The Commission Fee charged by the correspondent bank or foreign banks may be debited from the amount refunded before the funds are credited back to the Payer's Account. This condition shall apply regardless of the number of times that the Payer submitted Payment Orders to the Bank without rectifying the details or providing all the details required to execute a Payment Order.
- 5.7.7. If the Payer is a state or municipal enterprise, e.g., SODRA, Social Welfare Office, etc. that makes regular transfers to accounts held by Beneficiaries with the Bank and the Bank receives an official letter of such Payer or its Payment Service Provider asking to return the funds because, for some reason, Payment Transactions were performed by mistake, the Bank shall execute such request of the Payer or the Payer's Payment Service Provider and return the funds to the Payer by debiting them from the Beneficiary's Account, if this is permitted by the applicable legislation.
- 5.7.8. If funds were credited to the Client's Account or debited from the Client's Account by mistake *due to the fault of the Bank*, also if other incorrect Account transactions are found, the Bank shall have the right to rectify the errors without a separate consent of the Client or a prior notice to the Client, even if there are no funds in the Client's Account.
- 5.7.9. Having noticed that funds were credited to his/her/its Account by mistake, the Client is required to immediately inform the Bank thereof. Having received Payment Transaction funds without any specified reason, the Client may not dispose of the funds that do not belong to

him/her/it and is required to immediately return such funds.

- 5.7.10. Once the Card Payment Transaction has been duly authorised/confirmed and duly executed by the Bank, the possibility to recover the funds is governed by Mastercard, the international payment card organisation, and is not regulated by any other legislation. In accordance with the MasterCard Association Rules, payments initiated with a card may be cancelled and attempts may be made to recover funds if the Client does not receive the goods/services paid for or does not receive the funds at an ATM. Applications are processed in accordance with the deadlines and requirements set out in the MasterCard Association Rules. The Mastercard Association does not deal with applications from Clients for which the deadline for challenging transactions set by Mastercard has expired, i.e., 120 calendar days have elapsed since the date of the transaction, as well as with applications relating to investment services. If the Beneficiary agrees to the refund request, there is a 45-day dispute period for both parties (Payer and Beneficiary) in accordance with the Mastercard Association Rules. If the merchant/service provider does not dispute the refund within this period, the funds shall be returned to the Client's bank account.
- 5.7.11. The Bank charges a Commission Fee for the tracking of Payment Transactions and/or returning funds.

## VI. AUTHORISATION OF PAYMENT TRANSACTIONS

### 6.1. Submitting a Consent/Authorisation to Execute a Payment Transaction

- 6.1.1. Consent to execute a Payment Transaction shall be deemed to have been obtained only after the Client has given consent to the execution of one or more Payment Transactions.
- 6.1.2. Consent for the execution of Payment Orders or other transactions shall be confirmed/authorised only by Authentication Tools available to the Client:
- 6.1.2.1. the Client's signature, where the Client receives service in person at the Bank's branch;
- 6.1.2.2. a qualified electronic signature (Mobile-ID or Smart-ID) used by the Client, using the sPIN1 and sPIN2 codes known only to the Client;
- 6.1.2.3. by confirming the Payment Transaction with a code received from the Bank via SMS, which is sent to the telephone number provided by the Client;
- 6.1.2.4. by confirming the Payment Transaction with an enquiry code generated in the Electronic Channels, which is confirmed by the code generator available to the Client;
- 6.1.2.5. when the Payment Transaction is performed with a payment card in an online store, by the Client entering a permanent secure online payment password (created by the Client and known only to him/her) and a one-time secure

online payment code, which shall be sent to the Client via SMS to the telephone number specified by the Client;

- 6.1.2.6. by confirming the Payment Transaction with the PIN assigned to the payment card or by the Client providing the payment card data (full name/company name, card number, expiry date, CVV2/CVC2) to the electronic service providers/merchants;
- 6.1.2.7. by the Client performing certain actions, e.g., authorising a payment on a smart device using a defined authorisation method; tapping the payment card or the smart device with a digital wallet and linked to the card on a payment terminal marked with a special sign at points of sale;
- 6.1.2.8. by signing the Payment Transaction Document confirming the card payment;
- 6.1.2.9. in such other ways as the Parties may agree.
- 6.1.3. The consent to execute one or several Payment Transactions may also be given through the Beneficiary or Payment Initiation Service Provider.
- 6.1.4. If the execution of a Payment Order requires authorisation by several persons (Account users), the Bank shall execute the Payment Transaction once it has been signed/authorised by the persons in accordance with the procedure and in the order provided for in the relevant service Agreement.
- 6.1.5. The consent given in the manner referred to in sub-paragraphs 6.1.2–6.1.4 of the *Payment Rules* shall be deemed to be the Client's instruction to the Bank to commence the execution of the initiated Payment Transactions or other requests submitted by the Client.
- 6.1.6. The Payer's consent to execute the Payment Transaction shall be provided before the execution of the Payment Transaction. In the absence of such consent, the Payment Transaction shall be deemed to be unauthorised.
- 6.1.7. In accordance with the rules of the payment card organisation MasterCard, upon payment by card, the Bank shall reserve the funds of the Payment Transaction in the account to ensure the execution of the Payment Order and shall be obliged to transfer the funds to the Beneficiary upon receipt of the Beneficiary's confirmation of the card settlement. Once the funds have been reserved, the payment is already in progress and cannot be cancelled. The Client cannot stop a Payment Transaction performed with the card and withdraw the reserved funds. The Client may contest the reserved funds only after the reserved funds have been debited from the Account. If the Bank does not receive notification from the merchant or service provider within ten (10) calendar days from the date of the reservation of funds that the transfer of funds is to be executed, the Bank shall cancel the reservation of funds.
- 6.1.8. When the Payer purchases paid services (e.g., games, music, accounts, etc.) from service providers online and, for the purpose of paying such service providers, authorises them to initiate Payment Transactions using the payment card

details, the Payer must check whether he/she/it gives the consent to initiate a single Payment Transaction or an unlimited number of transactions that may be initiated without the additional Payer's consent throughout the period of using the purchased services. After receiving Payment Orders from such service providers (Beneficiaries), the Bank shall not ask for a separate authorisation of such Payment Transactions from the Payer, if the Payer has given a multiple authorisation to the service provider to initiate Payment Transactions without a separate consent of the Payer. The Bank shall continue to execute Payment Transactions as set out herein until the Payer withdraws his/her/its authorisation given to the Beneficiary to debit funds from the Payer's Account. The authorisation to cancel the initiation of Payment Transactions shall be given to the Beneficiary.

- 6.1.9. If the Bank receives an inquiry from the Payment Service Provider asking whether there are sufficient funds in the Client's (Payer's) Account for the execution of a Payment Transaction based on a payment card, the Bank shall immediately send a reply (Yes/No) to such Payment Service Provider, if all conditions provided for in the Law have been met.
- 6.1.10. When using Payment Services online, the Client must follow the guidelines for safe conduct and be careful, attentive and aware, as the security of the Client's funds in the Account and the Payment Services provided online depends on the Client's proper and prudent performance of the Client's obligations set out in these *Payment Rules*.

## 6.2. Client Notices Regarding Unauthorised or Improperly Executed Payment Transactions

- 6.2.1. The Client must check the information on the Payment Transactions performed in the Account at least once (1) a month in the Account Statement.
- 6.2.2. The Consumer shall<sup>1</sup>, immediately and not later than within thirteen (13) months after the debiting of funds from the Account, and the Client (not a Consumer) – not later than within sixty (60) calendar days from the date on which the Bank, in the Client's opinion, executed unauthorised Payment Transaction or improperly executed Payment Transaction, as well as in the case of any other errors, inconsistencies or inaccuracies noticed in the Statement, notify the Bank in writing about Payment Transactions (debiting of funds from the Account) that were not authorised by the Client or improperly executed by the Bank. In their internal regulations, third parties, e.g., MasterCard organisation may provide for different time limits for the notification of unauthorised Payment Transactions.
- 6.2.3. Having received a notice from the Client within the time limits specified in sub-paragraph 6.2.2 stating

that a Payment Transaction was not authorised by the Client or was improperly executed by the Bank, the Bank shall, immediately and not later than before the end of the following business day after becoming aware of or getting notified about an unauthorised Payment Transaction, return the amount of the unauthorised Payment Transaction to the Client and restore the balance in the Account from which the amount was debited as if the unauthorised or improperly executed Payment Transaction had not been performed. The Bank shall ensure that the Client does not incur losses as a result of the Bank's application of the Commission Fee or the interest receivable from the Bank. As long as funds in the Account are reserved, i.e., as long as the Payment Transaction has not been fully executed, the funds of unauthorised Payment Transaction shall not be returned to the Client. The Bank shall not return the Payment Transaction funds if it has reasonable grounds to suspect fraud on the part of the Client and notifies the Supervisory Authority thereof, as well as in the cases provided for in sub-paragraphs 6.3.3, 6.3.4 and paragraphs 7.1–7.2, where the responsibility for unauthorised Payment Transaction rests with the Client. During the period of examination of an inquiry regarding an unauthorised Payment Transaction, the Bank may return the funds of the contested Payment Transaction to the Client's Account; however, if the Bank finds that the claim is unfounded, it shall have the right to unilaterally debit such funds from the Account. Should it be found that the Client's claim regarding an allegedly unauthorised Payment Transaction was unfounded, the Bank shall have the right to charge a Commission Fee from the Client for the collection of documents and information, and for the performance of internal investigation.

- 6.2.4. If the Client (also a Consumer) does not notify the Bank of unauthorised or improperly executed Payment Transactions within the time limits specified in sub-paragraph 6.2.2, the Payment Transactions executed in the Account shall be treated as authorised, the investigation in respect of such Payment Transactions shall not be conducted and the funds shall not be returned to the Client.

## 6.3. Liability of the Client and the Bank for Unauthorised Payment Transactions

- 6.3.1. Where the Client is a Consumer and denies having authorised a Payment Transaction or claims that a Payment Transaction has been executed improperly, the Bank shall bear the burden of proving that the Payment Transaction has been authenticated (i.e., that the Bank has duly verified the use of the Payment Instrument, including the use of the Authentication Tools and other personalised security data), has been

<sup>1</sup> This provision also applies to Payers (natural persons) engaged in economic-commercial or professional activities.



- properly registered in the systems and has not been affected by technical failures or other deficiencies in the Bank's service.
- 6.3.2. If the Client, who is not a Consumer, denies having authorised a Payment Transaction which has caused losses to the Client, authorisation of the Payment Transaction using the Authentication Tools available only to the Client as set out in paragraph 6.1.2 shall be sufficient evidence that the Client has authorised the Payment Transaction or acted in bad faith, or failed, knowingly or due to gross negligence, to fulfil one or more obligations provided for in paragraphs 7.1–7.2, and in such event, the Bank shall not reimburse the Client for the losses incurred.
- 6.3.3. If the Client is a Consumer, he/she shall cover losses of up to fifty (50) euros resulting from unauthorised Payment Transactions, if such losses were incurred due to:
- 6.3.3.1. the use of a lost or stolen Payment Instrument (including Authentication Tools);
- 6.3.3.2. misappropriation of the Payment Instrument or details thereof, if the Client failed to ensure the safety of personalised security data (including the data of Authentication Tools).
- 6.3.3.3. in the case provided for in sub-paragraph 6.1.8 of the *Payment Rules*, as long as the Consumer does not revoke the authorisation given to the Beneficiary to debit the Payer's account on a regular basis.
- 6.3.4. If the Client is not a Consumer, or the Client is a Consumer and acted in bad faith or with gross negligence, i.e., failed to fulfil the obligations provided for in the *General Terms and Conditions of Use of Payment Cards* and paragraphs 7.1–7.2 of the *Payment Rules*, the Client shall bear all losses incurred due to reasons specified in sub-paragraph 6.3.3.
- 6.3.5. If, at the Client's request, the Account or Payment Instruments used to perform Payment Transactions are subject to a Payment Transaction limit higher than the standard limit set by the Bank, where the *Payment Rules* provide for the obligation of the Bank to cover losses incurred by the Client, the Bank shall reimburse losses that do not exceed the standard Payment Transaction limit set by the Bank.
- 6.3.6. If the Bank does not require a more secure authentication from the Payer, the Payer shall only be liable for losses resulting from unauthorised Payment Transactions if the Payer acted in bad faith.
- 6.4. Liability of the Bank for Proper Execution of Payment Transactions**
- 6.4.1. If the Client (Payer) has directly initiated a Payment Order, the Bank shall be responsible for the proper execution of the Payment Transaction. If the Bank can prove to the Client (Payer) and, in certain cases, to the Beneficiary's Payment Service Provider that the Beneficiary's Payment Service Provider received the Payment Transaction amount, the Beneficiary's Payment Service Provider shall be responsible to the Beneficiary for the proper execution of the Payment Transaction.
- 6.4.2. If the Bank has the responsibility referred to in sub-paragraph 6.4.1, the Bank shall immediately return to the Client (Payer) the amount of the Payment Transaction that was not executed or was executed improperly or shall restore the balance in the Account from which the amount was debited as if the improperly executed Payment Transaction had not been performed.
- 6.4.3. If the Bank, acting as a Payment Service Provider of the Client (Beneficiary), has the responsibility referred to in sub-paragraph 6.4.1, the Bank shall immediately credit the Payment Transaction amount to the Beneficiary's Account and/or make it possible for the Beneficiary to dispose of the funds. Should the Bank be unable to credit the amount of the Payment Transaction transferred to the Client (Beneficiary) to the Beneficiary's Account, the Bank shall immediately and not later than within two business days return the amount of the Payment Transaction to the Payer.
- 6.4.4. If a Payment Transaction initiated directly by the Client (Payer) is not executed or is improperly executed, the Bank shall, at the Client's request, take measures to find out the reasons thereof, track the Payment Transaction and inform the Client (Payer) about the search results.
- 6.4.5. Once the Payment Order is initiated by or through the Client (Beneficiary), the Bank acting as the Payment Service Provider of the Beneficiary shall immediately transfer the Payment Order to the Payment Service Provider of the Payer. The Bank shall be responsible to the Beneficiary for the proper transfer of the Payment Order to the Payer's Payment Service Provider.
- 6.4.6. If a Payment Transaction, for the execution of which the Bank, acting as the Beneficiary's Payment Service Provider, is not responsible under sub-paragraph 6.4.5 of the *Payment Rules*, is not executed or is improperly executed, the Payer's Payment Service Provider shall be responsible to the Payer.
- 6.4.7. If a Payment Order is initiated by or through the Client (Beneficiary) and the Payment Transaction is not executed or is improperly executed, the Bank, acting as the Beneficiary's Payment Service Provider, shall, at the Client's request, take measures to find out the reasons thereof, track the Payment Transaction (if possible) and inform the Client (Beneficiary) about the search results.
- 6.4.8. The Bank shall reimburse the Client for the full amount of the Commission Fee and interest as a result of failure to execute or improper execution of a Payment Transaction caused by the fault of the Bank.
- 6.4.9. The provisions of sub-paragraphs 6.4.1–6.4.8 of the *Payment Rules* shall only apply where the Payment Transaction is performed in the currency of Member States or in a foreign currency to or from a Member State.

- 6.4.10. If Payment Transactions are performed to/from Foreign Countries in any currency and the failure to execute, improper or delayed execution of the Payment Transaction is not the responsibility of the Bank, but of another Payment Service Provider or intermediary in a Foreign Country, the Bank shall be entitled to the reimbursement for the service rendered, and shall not reimburse to the Client the Commission Fee paid by the Client to the Payment Service Provider or intermediary in a Foreign Country due to whose fault the Payment Transaction was not executed or was not executed properly. The Bank shall return to the Client the full amount of the Commission Fee and interest only if the Payment Transaction was not executed or was executed improperly due to the fault of the Bank and/or its correspondent bank, except as provided for in sub-paragraph 6.4.11. The Bank shall not reimburse any other losses incurred by the Client, e.g., interest or other payments under agreements between the payer and the other party.
- 6.4.11. The Bank shall not be liable for the Client's additional costs, direct or indirect losses related to the failed or improperly executed Payment Transaction, if the failed or improperly executed Payment Transaction was the result of the Bank, the correspondent bank or any other Payment Service Provider involved in the execution of the Payment Transaction suspecting that the Payment Transaction is related to money laundering, terrorist financing or applicable Sanctions.
- 6.5. Returning the Funds of Payment Transactions Initiated by or through the Beneficiary to the Payer**
- 6.5.1. The Payer shall have the right to recover from the Bank full amount of the Payment Transaction that was initiated and authorised by or through the Beneficiary (Client), and that is already executed, if it is found that the Beneficiary (Client) initiated the Payment Order without valid reasons and the Payment Transaction funds were transferred to the Beneficiary (Client) without valid reasons. Funds shall be returned to the Payer only if all the conditions provided for in the regulations of third parties (e.g., MasterCard organisation) involved in the execution of the Payment Transaction have been met, and there is no conflict with other *Terms of Service*, so that the funds can be returned to the Payer. When returning funds to the Payer under this paragraph, the Bank shall follow the provisions of paragraph 5.7.
- 6.5.2. If the Bank suspects or has information that the Beneficiary has unlawfully transferred funds from the Payer's Account to his/her/its own account or an account of a third party (Beneficiary), the Bank shall have the right to return such funds from the Beneficiary's Account to the Payer or to block the Beneficiary's Account without a prior notice to the Beneficiary.

## **6.6. Payment Initiation and/or Account Information Service**

- 6.6.1. The Client may submit a Payment Order for the transfer of funds from his/her/its Account in the Bank using a Payment Initiation Service of other Payment Service Provider.
- 6.6.2. The Client can use services of an Account Information Service Provider to find out the balance on his/her/its Account in the Bank and access information about the transactions performed in the Account.
- 6.6.3. The contractual relationship between the Client and the Payment Initiation and Account Information Service Providers is regulated by the Law.
- 6.6.4. Before using Payment Initiation or Account Information Services, the Client should make sure that the Payment Initiation and/or Account Information Service Provider has a permit issued by the Bank of Lithuania or other competent institution to provide relevant Payment Services, as well as read the information provided by the Payment Initiation and Account Information Service Providers.
- 6.6.5. The Client is responsible for giving consents to the Payment Initiation Service or Account Information Service Providers. Having given a consent to initiate a Payment Transaction to the Payment Initiation Service Provider and confirmed/authorised the Payment Transaction, the Client cannot cancel it via the Internet Bank. Once the Client has given his/her/its consent to the provision of the Account information, the Account Information Service Provider shall have access to the information stored in the Client's Account indicated in the Client's consent. The Client can manage the consents regarding the Account information service via the Internet Bank.
- 6.6.6. The Bank may refuse to allow the Client to use the Account information service or the payment initiation service if the Bank has reasonable grounds related to unauthorised or unfair access to the Client's Account by the said service providers, including unauthorised or fraudulent initiation of the Payment Transaction.
- 6.6.7. The payment initiation service and/or Account information service of other Payment Service Providers may be provided only to those Clients who use the Internet Bank service of the Bank.
- 6.6.8. Should the Client notice any suspicious and illegal use of the services while using the payment initiation and Account information services, the Client must immediately inform the Bank thereof.

## **VII. SECURITY MEASURES. BLOCKING AN ACCOUNT AND PAYMENT INSTRUMENT**

- 7.1. When using payment services, in particular online, and in order to avoid damage, the Client must take steps to protect Payment Instruments, Authentication Tools and personalised security data of the Electronic Channels. Account login details provided to the Client and known only to

- the Client protect the Client's accounts. The Client shall be careful and diligent and undertakes to ensure the security of the Payment Instruments, Authentication Tools, keep them safe and secret, and take all possible measures to prevent third parties from using or accessing them. Only the Client shall have access to the Authentication Tools and shall keep them safe (shall not keep all Authentication Tools together, shall keep the PIN or generator separately, shall not carry with him/her the User ID, PIN and other passwords known only to the Client and shall not keep them written down in smart devices or other personal items (wallet, purse, etc.), shall delete his/her Smart-ID account online if he/she loses his/her telephone or smart device, etc.). The Client shall not hand over Authentication Tools or otherwise make them available to third parties, as this would compromise the security of the Accounts and enable third parties to access the funds in the Accounts.
- 7.2. When using the Electronic Channels, the Payment Instrument or the smart device used to make Payment Transactions, the Client shall:
- 7.2.1. follow the rules regulating the issuance of the Payment Instrument and/or use of the Electronic Channels as set out in the respective Agreement and/or the *Terms of Service*, e.g., the *Terms and Conditions of Use of Payment Card*;
- 7.2.2. protect with a security code (PIN, biometric data or other means of security known only to the Client (card user)) his/her smart device and take all reasonable precautions to ensure the security and confidentiality of the smart device lock to prevent third parties from accessing or using the digital card and/or smart device. Otherwise, the Client shall be deemed to have been negligent and careless. The Client is prohibited from using the digital card on a smart device whose security or integrity has been compromised (e.g., where full access rights have been granted to the device's systems or where its security requirements have been circumvented). The Client is solely responsible for any loss incurred as a result of the use of the digital card on a compromised smart device. It is also the sole responsibility of the Client (card user) to delete his/her digital card and its login data from his/her smart device when he/she no longer uses or owns the smart device. Before handing over the smart device to another person, the Client must take measures to protect the digital card and make sure that the other person shall not be able to use the Card;
- 7.2.3. upon receiving a notification on the device used by the Client about an initiated Payment Transaction or linking of a payment card to a digital wallet that the Client has not initiated, to read the notification carefully, to evaluate it critically and not to confirm such Payment Transaction with the available Authentication Tools, not to open the links received, not to enter the Internet Bank or payment card details (e.g., the CVV code) and to immediately inform the Bank of a suspicious Payment Transaction;
- 7.2.4. having become aware of the loss, theft, misappropriation or unauthorised use of the Payment Instrument, including a smart device, telephone, SIM card, unauthorised linking of the digital card to a digital wallet or unauthorised use thereof, as well as other facts or suspicions that the personalised security data of the Payment Instruments, Authentication Tools or Electronic Channels have become available or can be or were used by third parties, to immediately inform the Bank thereof and ask the Bank to block the Payment Instrument, including the digital card, and to take measures to block/delete the digital card in the manner specified by the digital wallet service provider. Should the Client fail to notify the Bank of the lost Payment Instrument, Authentication Tools or personalised data of the Electronic Channels in a timely manner or disclose this information to third parties, all losses incurred prior to the giving of the Notice shall be borne by the Client;
- 7.3. The Bank shall have the right to block the Account (i.e., to completely or partially suspend the Payment Transactions in the Account) and/or the Payment Instrument (i.e., to completely or partially prohibit its use):
- 7.3.1. due to objectively justified reasons related to the security of the funds in the Account and/or the Payment Instrument (e.g., the PIN or SMS code entered is incorrect);
- 7.3.2. due to suspected illegal or fraudulent use of the funds in the Account and/or the Payment Instrument or due to a significantly increased risk that the Client may not be able to properly fulfil his/her/its payment obligations to the Bank (including cases when a Payment Instrument that gives access to a Credit Limit granted by the Bank on the Account is used);
- 7.3.3. if the Client does not comply with the terms and conditions of the General Agreement concluded with the Bank;
- 7.3.4. if the Bank has reasonable suspicions that the funds in the Account and/or the Payment Instrument may be or have been illegally or fraudulently used by third parties;
- 7.3.5. if the Bank has reasonable suspicions that the Account and/or Payment Instrument may be or has been used for money laundering, terrorist financing, violation, evasion or circumvention of Sanctions or for other criminal activities;
- 7.3.6. if the Bank receives well-founded information about the death of the Client (Consumer) or the de-registration of the Client (legal entity);
- 7.3.7. if the Bank is provided with contradictory information about the persons authorised to represent the Client;
- 7.3.8. if the Bank becomes aware of the theft or other loss of the Payment Instrument, if the Bank suspects or learns about the misappropriation or unauthorised use of the Payment Instrument, as well as about facts or suspicions that the

- personalised security data of the Payment Instrument (including Authentication Tools) have become available to or can be used by third parties;
- 7.3.9. when a request or other document (e.g., a decision) of the management bodies (shareholders, members of the partnership, etc.) of the Client that is not a Consumer is submitted to the Bank asking the Bank to restrict the right of the Client's manager or other persons to dispose of the Client's Account;
- 7.3.10. if the funds in the Account have been seized or the Client's right to dispose of the funds has been otherwise restricted;
- 7.3.11. in the cases provided for in the applicable legislation, the *General Rules*, the Agreement, the *Terms of Service*.
- 7.4. The Bank shall inform the Client about the blocking of the Account and/or the Payment Instrument and the reasons thereof, if possible, prior to blocking the Account and/or the Payment Instrument or immediately after the blocking, unless the provision of this information would weaken security measures or be prohibited by the applicable legislation.
- 7.5. The Account and/or the Payment Instrument shall be blocked at the Client's initiative if the Client informs the Bank that the Payment Instrument issued to the Client has been stolen or otherwise lost, or that the funds in the Account and/or the Payment Instrument are or may be used in another illegal manner. The Bank shall have the right to demand that the Client's oral request to block the Account and/or the Payment Instrument be subsequently confirmed in writing or in another manner acceptable to the Bank. If the Client's request to block the Account and/or the Payment Instrument is submitted to the Bank orally, the Bank shall have the right to ask the Client to present certain information about the Client that is known to the Bank in order to identify the person submitting such request.
- 7.6. The Bank shall unblock the Account and/or the Payment Instrument (or replace it with a new Payment Instrument) when the reasons for blocking the Account and/or the Payment Instrument no longer exist.
- 7.7. If the Account and/or the Payment Instrument has been blocked at the Client's initiative, the Bank may unblock them only upon receipt of the Client's written request, unless the applicable legislation, these *Payment Rules* or *Terms of Service* provide otherwise. The Bank shall have the right to replace a blocked Payment Instrument with a new one and charge from the Client a Commission Fee specified in the *Service Rates*.
- 7.8. The Bank shall not assume liability for the Client's losses incurred due to the blocking of the Account and/or Payment Instrument, if they were blocked in accordance with the procedure and on the conditions provided for in the *Payment Rules*, the Agreement, and the *Terms of Service*.
- 7.9. In the event that the Bank suspects fraud while executing Payment Transactions or determines that fraud or other threats to the security of the funds in the Client's Account have occurred, the Bank shall immediately contact the Client to verify whether the Client has performed the suspicious Payment Transactions or lost the Payment Instrument, or the details of the Client's Payment Instrument may have become known to third parties. To properly identify the Client, the Bank shall have the right to ask him/her questions about his/her details known to the Bank. In such cases, the Client is obliged to cooperate with the Bank and provide the necessary explanations and information. When investigating suspicious transactions, the Bank shall have the right to block the Client's Account and/or Payment Instrument. If the Client who has been informed about the suspicious Payment Transactions in his/her Account objects to the Bank blocking the Account and/or Payment Instrument (e.g., the Client is abroad), the Client shall bear the losses resulting from any unauthorised Payment Transactions that were executed, and the Bank shall not reimburse such losses as set out in paragraph 6.3. The Bank shall not be liable for any damage or losses suffered by the Client if the Payment Transaction cannot be cancelled upon detection of possible fraud (e.g., the Instant Payment has already been executed or the funds have already been reserved).
- 7.10. If the General Agreement and the Agreements for the use of Payment Instruments are concluded or the related services (mobile application, digital wallet, etc.) are provided to a minor aged between 7 and 14, his/her legal representative shall be obliged to explain to such minor the rules of the responsible and safe use of the Bank's services and to teach him/her to use the Authentication Tools in accordance with these *Payment Rules* and other rules regulating the Bank's services.

## VIII. INFORMATION PROVIDED TO THE CLIENT ABOUT PAYMENT TRANSACTIONS

- 8.1. Before a Payment Transaction is executed, the Client may access information about the maximum time of execution of such Payment Transaction and the Commission Fee payable in the customer service units of the Bank, through the Electronic Channels and on the website of the Bank.
- 8.2. A Client holding an Account with the Bank shall be provided with information about the Payment Transaction, e.g., when funds are reserved, via the Electronic Channels or in the Account Statement.
- 8.3. The Client may access the Statement:
- 8.3.1. by visiting a customer service unit of the Bank. In this way, the Statements shall be provided to the Consumer free of charge once a month and the Statement shall contain, depending on the Consumer's choice, information on the Payment



- Transactions performed on the Account not more than thirty (30) calendar days prior to the Consumer's request or during the previous calendar month. If the Statement is requested by the Client who is not a Consumer, a Commission Fee specified in the *Service Rates* shall be charged.
- 8.3.2. through the Electronic Channels. In this way, the Statements shall be provided free of charge, regardless of how frequently they are requested. In the Electronic Channels, the Bank shall have the right to specify the period for which statements on the executed Payment Transactions are provided.
- 8.3.3. in a printed form, after covering the postage costs specified in the *Service Rates*;
- 8.3.4. by other means agreed on with the Bank.
- 8.4. In any case, the Client shall be required to pay the Commission Fee specified in the *Service Rates* for the additional information provided at the Client's request and/or more frequent issuance of Statements, and/or delivery of Statements by any means other than those specified in these *Payment Rules*, and for the provision of information about the Payment Transactions executed based on Single Payment Agreements.
- 8.5. If the Client performs a single Payment Transaction without holding an Account with the Bank, the Bank shall provide the Client with the information about the executed Payment Transaction in the Single Payment Agreement (Payment Order form).

## IX. MISCELLANEOUS

- 9.1. Agreements, *Terms of Service*, *Service Rates* or other documents (e.g., requests, applications, forms), as well as internal regulations of the Bank may provide for a maximum limit (per transaction, day, month) of Payment Transactions performed with Payment Instruments or through the Electronic Channels<sup>2</sup>. Should the Client wish to change the maximum Payment Transaction limit set by the Bank, he/she/it shall be required to file a request with the Bank and pay the Commission Fee specified in the *Service Rates*. Before making a decision, the Bank may ask the Client to provide additional information or documents and may refuse the Client's request. The Bank shall make a decision on the requested change of the Payment Transaction limit within 10 working days from the submission of complete information/documents. Should the Client exceed the Payment Transaction limit (per transaction, day, month), the Bank shall stop executing Payment Orders submitted by the Client. If a Payment Order is submitted in a currency other than that of the Account, the Bank shall apply the same transaction limit to the Account which shall
- be calculated using the Reference Exchange Rate applicable on the day of execution of the Payment Order. The Bank, in implementing the requirements of the LPMLTF, has the right to reduce the revised Payment Transaction limit or to restrict cash deposit or withdrawal operations.
- 9.2. The Bank shall have the right to impose targeted restrictions on financial products and services, e.g., to limit the amount, type and/or number of payment transactions, in particular when payments are made to/from Foreign Countries with a higher risk of money laundering and terrorist financing; to limit monthly turnover; the size or amount of deposits; to refuse to grant a credit limit; to prohibit the withdrawal of funds received from Foreign Countries, etc. Service restrictions shall be applied taking into account the Client's money laundering, terrorist financing, reputational, etc. risks, the Client's financial needs, and other individual Client-specific circumstances (reasons).
- 9.3. When performing Payment Transactions in cash at the Bank's customer service units or through cash withdrawal/deposit ATMs/terminals, the Client shall be obliged to carefully recalculate the cash to be deposited at the customer service unit or at the ATM/terminal prior to the deposit, and recalculate the cash withdrawn as soon as the cash is received and before leaving the point of cash withdrawal. If cash is deposited via a deposit ATM, the Client shall not be able to cancel the deposit after inserting the banknotes into the ATM, even if the amount displayed on the ATM screen does not match the amount of banknotes actually inserted. Having noticed that the amount of funds deposited/received differs from that specified in the payment documents of the Bank, the Client must immediately submit to the Bank any remarks or claims in connection with the amount of cash and the quality of the banknotes; otherwise, the information contained in the Bank's payment documents shall be deemed to be correct.
- 9.4. The Bank only accepts and disburses euro banknotes and coins, as well as banknotes of certain foreign currencies (not euro), that are fit for circulation and free from defects. The information on foreign currencies (banknotes) accepted and disbursed by the Bank is provided on the website of the Bank. The Bank does not accept or disburse foreign (not euro) coins. If the Client wishes to withdraw funds from the Account in a foreign currency (not euro) and part of the amount cannot be disbursed without using foreign (not euro) coins, the Bank shall convert this amount into euro using the Reference Non-Cash Exchange Rate and pay it out to the Client. The Bank does not accept old or defective foreign (not euro) banknotes and does not exchange them for new ones. Worn or damaged euro banknotes and coins are accepted and exchanged in accordance with

<sup>2</sup> The maximum amount that may not be exceeded by the Client when performing Payment Transactions in the specified Account, i.e., the limit on a single Payment Transaction, the

Payment Transaction limit per day, or the Payment Transaction limit per calendar month.

- the procedure established by the Bank of Lithuania.
- 9.5. In the event of a technical failure at an ATM or other cash withdrawal/deposit terminal (e.g., Perlas Finance UAB terminals), or in the event of other Payment Transactions that are disputed by the Payer, where the Client uses the Payment Instrument, but cash is not disbursed or not credited to the Account, the Client must immediately inform the Bank thereof. The Client's claim regarding the funds that were not disbursed or credited at an ATM/terminal shall be examined within the time limits specified in the *General Rules* and the regulations of MasterCard organisation (e.g., a claim regarding the failure to withdraw cash at an ATM can be submitted to the MasterCard Association via the Bank within 120 calendar days from the date of the transaction. The MasterCard Association does not handle claims submitted at a later date). The funds shall be credited to the Client's Account only after the Bank finishes examining the claim and finds out that there was a technical failure at the ATM/terminal.
- 9.6. The Bank has the right to process the Client's personal data when providing Payment Services or executing Payment Transactions, implementing the statutory requirements, as well as for the purposes of ensuring the prevention, investigation and detection of fraud in payments, and to transfer/provide the Client's personal data and transaction-related data to international payment card organisations, companies processing information on payment card payments, Payer, Beneficiary, Payer's or Beneficiary's Payment Service Provider, including Payment Initiation Service Provider, Account Information Service Provider, the operator of the payment system used to execute the Payment Transaction, intermediaries of the Bank (correspondent banks), the Supervisory Authority, as well as law-enforcement authorities or persons to whom the Bank is obliged to provide information about the Client in accordance with the applicable legislation or the concluded agreements.
- 9.7. The Bank shall not assume liability for mutual claims of the Beneficiary and the Payer and shall not examine them, unless the regulations of third parties involved in the execution of the Payment Transaction (e.g., MasterCard) provide otherwise.

## **X. NATIONAL AND INTERNATIONAL SANCTIONS**

- 10.1. When providing financial services, the Bank implements international financial and economic sanctions and other restrictive measures approved by the competent authorities of the Republic of Lithuania, the United Nations, the European Union and the United States of America.
- 10.2. The LPMLTF and Guidelines for Financial Market Participants on the Implementation of International

Sanctions issued by the Board of the Bank of Lithuania stipulate the obligation for the Bank to establish appropriate internal policies and control procedures related to the implementation of international financial sanctions and restrictive measures; therefore, the Bank is additionally guided by the internal policy on financial sanctions, which is why it carries out continuous monitoring of the Clients' business relationships and assesses the payment transactions performed. The Bank applies a risk-based approach and has the right to restrict or refuse the provision of services and/or Payment Transactions, including but not limited to cases where the relevant service or Payment Transaction is directly or indirectly related to a sanctioned party and/or sanctioned goods and/or sanctioned services and/or sanctioned persons. If the Bank is unable to ascertain the legality of the Payment Transaction in the context of Sanctions and is unable to assess whether the Payment Transaction would violate any Sanctions (including whether the Bank would be implicated in the evasion/circumvention of Sanctions), the Bank may not proceed with the Payment Transaction.

- 10.3. If the Bank determines that a Payment Transaction, any other transaction or Client is potentially subject to Sanctions or detects a violation (evasion, circumvention) of Sanctions, the Bank is obliged to restrict the provision of financial services to the Client or execution of a specific Payment Transaction, to freeze the funds if there are reasonable grounds for doing so, taking into account the specific situation and the requirements of the legislation on Sanctions.
- 10.4. The Client must not initiate Payment Transactions or seek to obtain funds directly or indirectly related to a sanctioned country and/or sanctioned goods and/or sanctioned services and/or sanctioned persons and must ensure that the Client and/or persons related to the Client do not engage in any conduct that violates or results in a violation of the Sanctions, including avoiding or circumventing the Sanctions.
- 10.5. Information on the Sanctions implemented by the Bank is publicly available on the Bank's website at <https://www.sb.lt/lt/duk/pinigu-plovimo-prevencija>. The Bank has the right to unilaterally supplement or change the publicly available information without prior notice to Clients.

Šiaulių Bankas AB