

General conditions of providing payers with e-invoices

Valid from 25-05-2018

I. DEFINITIONS

1.1. Automatic credit transfer: Payer-initiated transfer of funds to pay the e-invoices provided by e-invoice provider carried out by the Bank under the prior payment instruction in line with the agreed terms and conditions.

1.2. Bank: Šiaulių Bankas AB, company code 112025254, registered address: Tilžės 149, LT-76348 Šiauliai. Bank's e-mail address kic@sb.lt, telephone 8 700 55 055.

1.3. The Bank's website: website at www.sb.lt.

1.4. General rules: *General Service Rules of Šiaulių bankas AB approved by the Bank* which are available for the Payer in any Bank branch and (or) on the Bank's website.

1.5. Partial e-invoice: this is e-invoice, which contains less information than e-invoice, i.e. only the information required for payment order (amount, currency, payee's (e-invoice sender's) account, payee name, date of payment, payment purpose).

1.6. Business day: means a day which, according to the Lithuanian law is not an official holiday or rest day.

1.7. E-invoice: electronic invoice of e-invoice sender for the Customer which is given to the Bank in accordance with its established technical standards. E-invoice shows amounts payable by Customer for the goods or services provided by e-invoice sender to the Customer.

1.8. E-invoice address (hereinafter referred to as Account): Payer's bank or payment card account from which payment orders according to e-invoices are executed, number in IBAN format.

1.9. E-invoice application (hereinafter referred to as Request): the request submitted by Customer or Payer (if Customer is not the Payer) to the Bank or e-invoice sender to receive e-invoices or to terminate receiving of e-invoices.

1.10. E-invoice sender: the person (beneficiary), who sells goods or services to the Customer and gives him/her or Payer (if Customer is not the Payer) e-invoice, according to which the payment order is executed. Customer or Payer (if Customer is not the Payer) specifies e-invoice sender in the Request and (or) Contract.

1.11. Code assigned by e-invoice sender to Customer: the unique identifier (e.g. the contract number, insurance policy number, Customer number in e-invoice sender's identification system and so on) assigned to Customer by e-invoice sender, which is used to identify the Customer and which shall be indicated in the Request or Agreement by Customer or Payer (if Customer is not the Payer).

1.12. Customer: natural or legal person, who has made goods or services purchase contract with e-invoices sender, who has instructed to send e-invoices to e-invoice delivery address. The Customer, who has submitted a Request or entered into Contract, is considered to be the Payer.

1.13. Payment day: the date indicated in the Contract by Payer on which the Bank performs automatic credit transfer (according to payment order).

1.14. Payment order: Payer's single-time (if the Payer has submitted a request), i.e. executed manually or executed by Bank automatically (if Payer has signed the Contract)

payment order, when funds from the Account are transferred to e-invoices sender or to other person referred to in the e-invoice according to the e-invoices submitted to Payer by e-invoice sender, according to e-invoiced amounts and references.

1.15. Payment service provider: financial or other credit institution authorized to provide payment services according to the Law on Payments of the Republic of Lithuania.

1.16. Payment rules: *Ggeneral Payment Rules of Šiaulių Bankas AB approved by the Bank* with which the payer may familiarize in each division of the Bank and (or) on the Bank's website.

1.17. Payer: Bank's client (a natural or legal person) who submits a Request to receive e-invoices or is a party to the Contract.

1.18. Operation monthly limit: the maximum amount of payment orders executed within a calendar month according to e-invoices received. Operation monthly limit is stated by Payer in the Contract.

1.19. Operation amount: the maximum amount of a single payment order carried out on the basis of e-invoice submitted. Amount of the operation is specified by Payer in the Contract.

1.20. Conditions: the present general conditions of providing payers with e-invoices which are publicly available on the Bank's website, Payer's *SB linija* account, or can be given to the Payer in the Bank branch.

1.21. *SB linija*: it is the Bank's Internet banking system *SB linija* in which the Bank provides Payer with e-invoice.

1.22. Contract: automatic e-invoice payment contract signed by Payer and the Bank.

1.23. Service Fees: the Bank-adopted standard transaction fees for executed transactions and services rendered, which are approved and can be unilaterally changed by the Bank's Board. These rates are available for Payer in every division of the Bank and (or) on the Bank's website.

II. GENERAL PROVISIONS

2.1. The Conditions lay down the basic e-invoice service provision to the Payer conditions upon making Request or signing a Contract.

2.2. The Conditions are publicly available on the Bank's website, in the Bank's branches and Payer's *SB linija* account. The Payer must familiarize with the Conditions before ordering e-invoice provision service.

2.3. Payer's and Bank's relationship arising from the Bank debiting the Account and transferring to e-invoices sender's account, disputes between the parties, the Bank's responsibility and other issues not covered in these Conditions are also regulated by the Bank account contract entered into by Payer and the Bank as well as General Rules, Payment Rules and Service Fees.

III. ORDERING AND SUBMISSION OF E-INVOICES

3.1. The Customer or Payer who wishes to receive e-invoices from e-invoice sender, must submit a Request to the Bank or e-invoice sender.

3.2. Customer (Payer) who wishes to get an automatic credit transfer service, is required to conclude with the Bank a Contract for automated credit transfer.

3.3. The Customer (Payer) can submit the Request and enter into Contract in the Bank branch or through the *SB linija*. The Request submitted or Contract entered into via *SB linija* has the same legal value as the Request or Contract submitted or made in the Bank branch.

3.4. Number of the Customer's (Payer's) Requests or Contracts is equal to the number of e-invoice senders from which the Customer (Payer) wishes to receive e-invoices.

3.5. The Bank within one working day informs e-invoice sender (s) about the Request received.

3.6. After Customer (Payer) has submitted a Request to receive e-invoice, it is deemed that Payer agrees to receive e-invoice from e-invoices sender to be given to the Bank and paid in accordance with these conditions as well as the conditions provided for in the Request or Contract.

3.7. In the Request Payer must indicate e-invoice sender, e-invoicing address, code assigned by e-invoices sender to the Customer (if available), completeness of the desired e-invoice (full or partial e-invoice), as well as, if necessary, submit the other data specified in the Request.

3.8. Bank submits Payer the e-invoices via *SB linija* (if e-invoice shows Payer's account and Payer has entered into *SB linija* service contract with the Bank) or when Payer visits the bank branch. For e-invoice printing Bank applies the rate provided for the Customer (Payer) in the Service Fees.

3.9. The Bank shall submit the received e-invoices to Payer no later than within one (1) business day after receipt.

3.10. Bank submits Payer e-invoices with the same content as they were submitted to the Bank by e-invoices sender.

3.11. Bank informs Payer of the received e-invoices using the Payer-chosen method (s) via the following channels: *SB linija*, e-mail or SMS. For the service the Bank applies the rate provided for in the Service Fees.

3.12. The Bank keeps e-invoices and gives Payer the opportunity to review the required e-invoice within 13 months from the date of its submission to the Payer.

IV. PAYMENT OF E-INVOICES

4.1. The Payer can pay the e-invoices received in the Bank as follows:

4.1.1. By single (simple) credit transfer in bank branch or via *SB linija* (according to individual payment order).

4.1.2. By automated credit transfer, if the Payer and the Bank have entered into the Contract;

4.1.3. Using other ways agreed with e-invoices sender.

4.2. In case the Payer selects the automatic credit transfer and makes with the Bank the Contract, it is assumed that during the Contract validity payer gives the prior consent (payment order), for the Bank unilaterally, without further approval by the Payer, according to e-invoices sender's given e-invoice to debit funds from the Payer's account and transfer them to e-invoices sender's account.

4.3. Automatic e-invoice payment is subject to the following conditions:

4.3.1. The Bank carries out automatic bank transfers for the duration of the Payer's Contract concluded with the Bank for automatic credit transfer.

4.3.2. Automatic credit transfers shall be made only from the Payer's account specified in the Contract in euros and only if the Payer's account covers the whole e-invoice value and Bank charges, referred to in the Service Fees.

4.3.3. Bank shall carry out payment instructions only according to timely received e-invoices, the payment period of which has not expired and which, according to the Bank's information, haven't yet been paid by the Payer. If the Customer (the Payer) has paid the e-invoice in some other way (by an ordinary credit transfer, in cash, etc.), then the Bank shall executed the payment order under the Contract, if the Customer (the Payer) does not terminate the Contract prior to the payment day specified in the Contract.

4.3.4. The Bank debits funds from the Account on the payment date specified in the Contract, unless e-invoice shows date of payment which is earlier than the due date. In this case, the Bank shall carry out payment on the invoiced day. If on the date of payment funds in the account are not sufficient to transfer the e-invoiced amount and to pay bank charges, referred to in Service Fees, but e-invoice payment term has not expired, the Bank, in order to execute the payment order, moves the payment deadline to the next payment day, no later than e-invoiced payment deadline and pays e-invoice when there is enough funds in the Account.

4.3.5. If there are insufficient funds in the Payer's account for entire payment order, the Bank is entitled to write off the amount of missing funds from the Payer's account overdrafts according to separate credit contract made between the Bank and the Payer (applicable if such the contract has been made).

4.3.6. The Bank carries out payment orders in accordance with the Payer's requirements specified in the Contract, i.e. if e-invoiced amount is higher than the contracted amount of the transaction or monthly limit of the transaction, the Bank shall not execute the Payment order. In this case the Payer has the right to perform a simple credit transfer.

4.3.7. If the Payer has entered with the Bank into more than one e-invoice automatic payment Contract and these Contracts provide for the same due date, the Bank itself chooses sequence of e-invoice payment.

4.3.8. The payer must ensure that on the date of payment Account had sufficient funds in euros, required to execute payment order, including Bank charges as per Service Fees. If the Account lacks funds in euros, the Bank does not convert funds of the Account in other currency into euros.

4.3.9. The payer has the right to cancel the automatic credit transfer before the date of payment specified in the Contract, accordingly informing the Bank via *SB linija*, or by submitting a written request to the Bank branch.

4.4. The Bank does not perform automated credit transfers, if:

4.4.1. Payer's account has not enough money for full automated credit transfer and the Bank charges as per Service Fees.

4.4.2. Funds in the Payer's Account are seized or Payer's right to operate the account is restricted otherwise.

4.4.3. Account agreement is terminated.

4.4.4. Payer has given a wrong e-invoice sender's or own account details.

4.4.5. During automatic credit transfer execution time, the Contract is invalid or terminated.

4.4.6. Payer card, which is linked to the Payer's account specified in the Contract is blocked or its use is otherwise suspended.

4.4.7. Payer is the subject of bankruptcy proceedings, Payer (legal entity) is wound up or Payer (natural person) dies (including the case where one of the joint owners dies, if the Contract specifies that the Account is managed by mutual agreement between the co-owners). In this case, the Bank unilaterally terminates the Contract and no longer offers e-invoice providing services and no longer pays e-invoices received up to the circumstances specified in this paragraph.

4.4.8. Automatic credit transfer amount in the e-invoice is above the operation or monthly operation limit amount provided for in the Contract.

4.4.9. In the cases provided for in other laws of the Republic of Lithuania or the General Rules and Rules of Payments in the cases, when the Bank has the right or is required not to execute orders to debit funds from the Payer's account or not to provide e-invoice providing services.

4.5. Information about the paid e-invoices is presented in the Account statement.

V. SERVICE VALIDITY, AMENDMENT AND WAIVER OR TERMINATION

5.1. After Payer submits a Request, e-invoice service is provided to the Payer for an indefinite period till the individual Payer's Request to stop providing e-invoice providing service is given to the Bank or e-invoices sender.

5.2. Payer's Contract concluded with the Bank enters into force on the date of signature, if the Contract provides nothing otherwise. If the validity term is not defined in the Contract, the Contract shall be valid for an unlimited period.

5.3. The Customer (Payer) has the right to refuse from e-invoice provision service at any time by informing in writing or in any other manner the Bank or e-invoices sender.

5.4. The Bank has the right to unilaterally terminate e-invoice providing service to the Payer, if:

5.4.1. During twenty-four (24) consecutive months e-invoices sender provides Payer with no e-invoices.

5.4.2. Bank account agreement concluded between the Bank and the Payer is terminated (after closing the Payer's account).

5.4.3. E-invoices sender no longer sends e-invoices to Customer.

5.4.4. The Bank no longer offers e-invoice providing service.

5.4.5. In the cases provided for in other laws of the Republic of Lithuania or the General Rules, Rules of Payment.

5.5. The Payer may change the following contractual terms: the account number, the date of payment, transaction amount limit, transaction monthly limit, Contract validity start and end date. In the case of changing the Account number, transaction amount limit, monthly transaction limit, Contract validity start or end date, amendments shall enter into force on the day the Contract is amended and apply for those e-invoices received in the Bank, for which funds from the Payer's account have not yet been transferred according to the

payment orders given. Payment date change applies only for e-invoices received in the Bank after the Contract amendment date.

5.6. If the Payer-stated Contract expiry date coincides with the due date, the Contract shall expire when the payment is made on the day of payment. If the Contract is terminated before the e-invoice payment deadline or due date specified in the Contract, the Bank no longer pays e-invoices.

5.7. The Bank has the right to unilaterally change the terms of the Contract and these Conditions in the order provided for in the General Rules.

5.8. If e-invoices sender changes the code given to its Customer (Payer), which is specified in the Contract, without changing any other conditions of the agreement made between e-invoices sender and the Customer (Payer), under which e-invoice is sent, the code given by e-invoices sender to Customer (Payer) specified in the Contract is automatically considered to be modified accordingly, the Contract shall remain in force and respective payment orders are continued to execute.

VI. E-INVOICE SERVICE RATES

6.1. Bank fees paid by Payer for e-invoice service providing and their sizes are specified in Service Fees, which are publicly available on the Bank's website or in branch offices.

6.2. Fees shall be paid as per bank account contract entered into by Payer and Bank.

VII. PAYER RIGHTS PROTECTION WAYS

7.1. If e-invoice is paid by automatic credit transfer, the Payer is entitled to recover from the Bank the automatic credit transfer amount already paid, if the Payer who is a natural person, within eight (8) weeks from the date the funds were debited from the Payer's account, submits the Bank the request for repayment of funds and both of the following conditions are satisfied:

7.1.1. No exact amount payable was specified during authorizing the automatic credit transfer.

7.1.2. Automatic credit transfer amount exceeds the amount the Payer could reasonably have expected taking into account his/her previous spending, conditions of the contract concluded with e-invoices sender and other circumstances. If the Payer, entrusting the Bank to carry out the automatic credit transfer, indicates the transaction amount limit (per transaction or per-month limit on the amounts of transactions), it is considered that he/she could reasonably expect precisely that amount of these payment transactions.

7.2. At Bank's request, the Payer must submit data demonstrating that conditions of par. 7.1.1 and 7.1.2 are fulfilled.

7.3. The Payer has no right to recover the funds written off by automatic credit transfer if the e-invoice was submitted to him/her at least four (4) weeks before the automatic credit transfer order execution day.

7.4. 7.1-7.3 conditions shall apply if the Payer is a natural person.

7.5. The bank, after receiving the Payer's request to return the payment transaction amount, within ten (10) business days

returns the entire amount or seeks to recover the funds if they were transferred to e-invoices sender's account located in a different Payment service provider's bank, or states the reasons for which it refuses to return the amount and informs about how such a refusal can be appealed. For such refund, Bank has the right to charge a fee as per Service Fees.

7.6. The Bank has the right to withhold the funds debited from the Payer's Account by automatic credit transfer, if the claim for a refund is submitted by the Payer upon expiration of thirteen (13) months or more from the day of debiting from the Account and the Payer was given information about the Bank's improperly or erroneously executed payment transaction in the account statement.

7.7. In the event that the funds according to the received e-invoice are transferred to e-invoice sender's account in another Payment service provider, the Payment service provider may require the Payer to provide the information that is associated with the e-invoice service being provided or supply of which is mandatory by law.

VIII. LIABILITY AND COMPLAINTS/ LITIGATION PROCEDURE

8.1. The payer is responsible for correctness of the data given in the Request and Contract.

8.2. The Bank is responsible for:

8.2.1. Timely submitting to Payer the e-invoices obtained from e-invoices sender.

8.2.2. Proper execution of the payment orders by these and (or) Contract conditions.

8.3. The Bank is not responsible for:

8.3.1. Correctness of the data contained in e-invoice, including amounts payable, e-invoice contents, e-invoice data validity or e-invoice promotional information. E-invoices sender answers for legitimacy of any information contained in the e-invoice and its provision.

8.3.2. E-invoices sender's mistakenly accepted Payer's requests.

8.3.3. Presentation of e-invoice to the Payer, if the Bank has not received e-invoice from its sender, for non-payment of e-invoice, if e-invoices sender fails to send the Bank the e-invoice or sends at the time when the payment instruction under these Conditions cannot be carried out.

8.3.4. Non-payment or late payment of e-invoice and the interest or fine applied to the Customer (Payer) by e-invoice sender for late payment, or any other requirements, if payment order is carried out in accordance with these Conditions.

8.3.5. Non-payment of e-invoice under the Contract, if the payment order was not carried out under the conditions provided for in paragraph 4.4 of the Conditions;

8.3.6. For communication or other technological problems without the Bank's fault resulting in that the Bank could not execute the payment orders.

8.4. The Bank does not examine e-invoices sender's and the Payer's mutual claims and disputes.

8.5. Payer, considering that the Bank does not fulfil or improperly fulfils these Conditions shall immediately, but no later than within sixty (60) calendar days from the date of breach of Conditions, in writing or in any other manner

acceptable to the Bank provide the Bank with a claim for breach of Conditions. Bank examines Payer's claim through procedure established by the Bank and in the legal acts of the Republic of Lithuania. Payer, believing that the Bank improperly examined his/her claim or did not, in the Payer's view, eliminate the infringement, is entitled according to the Lithuanian laws, to apply to the Bank of Lithuania or the courts to defend his/her rights and legitimate interests.

8.6. Disputes arising out of the Contract and (or) its performance between the Bank and the Payer shall be solved by negotiation. In the case of failure to resolve the dispute through negotiation, it shall be settled by the competent court of the Republic of Lithuania according to Lithuanian laws.

IX. FINAL PROVISIONS

9.1. These Conditions shall enter into force after their publication on the website of the Bank, if no other deadline for their entry into force is given.

9.2. Conditions may be amended by decision of the Bank upon informing Bank's customers publicly according to the General Rules.

9.3. These Conditions are considered to be an integral part of the Request and (or) Contract.

9.4. The Parties undertake to keep confidential all information about the Request and Contract conditions, as well as on the Payer and his/her payments and to provide such information only to e-invoice sender, operator of the Bank or payment service providers that are involved in provision of e-invoice service, to third parties only in the cases provided for in the laws of the Republic of Lithuania.

9.5. The Bank undertakes to ensure that the Payers' personal data disclosed during execution of Request or Contract will be processed by lawful means in strict accordance with the Personal Data Protection Act of the Republic of Lithuania and other statutory requirements, and will adopt the necessary organizational and technical measures to protect Payer's personal data against unauthorized destruction, disclosure, as well as against any other unlawful processing. The Bank shall process personal data as specified in the Bank's Personal Data protection Rules which are publicly available on www.sb.lt. Upon the Payer's request the Bank shall provide a paper copy of the Bank's Personal Data protection Rules.

Šiaulių Bankas AB