# GENERAL TERMS OF E-INVOICING

## 1. TERMS AND DEFINITIONS

1.1. **Automatic Credit Transfer** shall mean a transfer of funds initiated by the Payer for the payment of e-invoices submitted by an E-Invoice Sender and executed by the Bank in accordance with the Payer's prior Payment Order under the terms and conditions set out in the Agreement.

1.2. **Bank** shall mean Artea Bankas AB, registration No. 112025254, office address: Konstitucijos ave. 14A, LT-09308 Vilnius, Lithuania. Email address of the Bank: info@artea.lt, telephone number of the Bank +370 610 44447.

1.3. **Website of the Bank** shall mean the website at www.artea.lt.

1.4. **General Rules** shall mean the *General Service Rules of Artea Bankas* approved by the Bank, which are made available to the Payers in all branches of the Bank and/or on the website of the Bank.

1.5. **E-invoice with limited information** shall mean an e-invoice with less information than an e-invoice, i.e., it states only the information required to execute the Payment Order (amount, currency, account No. of the beneficiary (E-Invoice Sender), beneficiary's name, date of payment, purpose of payment).

1.6. **Working Day** shall mean any day that is not an official non-working day or public holiday under the laws of the Republic of Lithuania.

1.7. **E-invoice** shall mean an electronic invoice issued by the E-Invoice Sender to the Client, which is submitted to the Bank in accordance with the requirements of the technical standards established by the Bank. The e-invoice shall specify the amounts payable by the Client for services or goods provided to the Client by the E-Invoice Sender.

1.8. **E-invoicing address (hereinafter, the Account)** shall mean the number (in IBAN format) of the Payer's bank account with the Bank from which payment orders are executed in accordance with the e-invoices received.

1.9. **E-invoice request (hereinafter, the Request)** shall mean a request from the Client or the Payer (if the Client is not the Payer) to the Bank or the E-Invoice Sender to receive e-invoices or to stop receiving e-invoices.

1.10. **E-Invoice Sender** shall mean a person (beneficiary) selling goods or providing services to the Client and submitting to the Client or the Payer (if the Client is not the Payer) e-invoices for them, based on which payment orders are executed. The Client or the Payer (if the Client is not the Payer) shall specify the E-Invoice Sender in the Request and/or the Agreement.

1.11. **E-Invoice Sender's Client Number** shall mean the unique identifier assigned to the Client by the E-Invoice Sender (e.g., agreement number, insurance policy number, Client number in the E-Invoice Sender's identification system, etc.) which identifies the Client and which is specified by the Client or the Payer (if the Client is not the Payer) in the Request or the Agreement.

1.12. **Client** shall mean a natural person or legal entity who has a goods or services purchase agreement with the E-Invoice Sender and instructed the latter to send e-invoices to the e-invoicing address. A Client who has submitted the Request or concluded the Agreement shall be deemed to be the Payer.

1.13. **Date of Payment** shall mean the date specified by the Payer in the Agreement, on which the Bank executes automatic credit transfer (executes the payment order).

1.14. **Payment Order** shall mean a one-off payment order that is executed manually (if the Payer has submitted the Request) or automatically (if the Payer has concluded the Agreement), where funds are transferred from the Account to the E-Invoice Sender or other person specified in the e-invoice in accordance with the e-invoice submitted to the Payer by the E-Invoice Sender, based on the details and in the amounts specified in the e-invoice.

1.15. **Payment Service Provider** shall mean a financial or other credit institution authorised to provide payment services under the Law on Payments of the Republic of Lithuania.

1.16. **Payment Rules** shall mean the *General Payment Service Rules of Artea Bankas* approved by the Bank, which are made available to the Payers in all branches of the Bank and/or on the website of the Bank.

1.17. **Payer** shall mean the Bank's client (natural person or legal entity) who submits a Request to receive e-invoices or signs the Agreement.

1.18. **Monthly Transaction Limit** shall mean the maximum amount of Payment Orders to be executed in a calendar month on the basis of e-invoices received. The Payer shall specify the Monthly Transaction Limit in the Agreement.

1.19. **Transaction Amount** shall mean the maximum amount of a single Payment Order executed on the basis of an e-invoice received. The Payer shall specify the Transaction Amount in the Agreement.

1.20. **Terms** shall mean these *General Terms of E-Invoicing*, which are published on the website of the Bank or made available to the Payers in all branches of the Bank.

1.21. **Internet Bank** shall mean the Bank's online banking system where the Bank submits e-invoices to the Payer.

1.22. **Agreement** shall mean an *Automatic E-Invoice Payment Agreement* signed by the Payer and the Bank.

1.23. **Service Rates** shall mean the standard transaction or service rates approved by the Bank.

## 2. GENERAL PROVISIONS

2.1. The Terms set out the basic terms and conditions for the provision of e-invoicing service upon receipt of the Request or conclusion of the Agreement.

2.2. The Terms are published on the website of the Bank and made available in the branches of the Bank. The Payer must read the Terms prior to ordering the e-invoicing service.

2.3. The relationship between the Payer and the Bank arising from the Bank's debiting of funds from the Account and transferring them to the account specified by the E-Invoice Sender, the resolution of disputes between the parties, the Bank's liability and any other matters not covered by these Terms shall also be governed by the Account Agreement concluded by the Payer and the Bank, the *General Rules*, the *Payment Rules*, and the *Service Rates*.

## 3. ORDERING AND SUBMITTING E-INVOICES

3.1. The Client or the Payer wishing to receive e-invoices from the E-Invoice Sender must submit the Request to the Bank or the E-Invoice Sender.

3.2. The Client/Payer wishing to receive the automatic credit transfer service must conclude the Agreement with the Bank.

3.3. The Client/Payer may submit the Request and conclude the Agreement in a Bank branch or through the Internet Bank.

3.4. The Client/Payer shall submit the same number of Requests or conclude the same number of

Agreements as the number of E-Invoice Senders whose e-invoices the Client/Payer wishes to receive.

3.5. The Bank shall inform E-Invoice Senders of the Request received within one Working Day.

3.6. Once the Client/Payer has submitted the Request to receive e-invoices, the Payer shall be deemed to have agreed to receive e-invoices from the E-Invoice Sender, which shall be submitted to the Bank and paid in accordance with these Terms and the terms and conditions of the Request or the Agreement.

3.7. In the Request, the Payer shall specify the E-Invoice Sender, e-invoicing address (Account number), E-Invoice Sender's Client Number (if any), the level of detail of the e-invoice to be received (detailed e-invoice or e-invoice with limited information), and, if necessary, any other data required in the Request.

3.8. The Bank shall submit e-invoices to the Payer through the Internet Bank or in person at a Bank branch.

3.9. The Bank shall submit the received e-invoices to the Payer not later than within one (1) Working Day from the date of their receipt.

3.10. The content of e-invoices submitted by the Bank to the Payer shall be the same as that of e-invoices submitted to the Bank by E-Invoice Sender.

3.11. The Bank shall inform the Payer of e-invoices received through the Internet Bank or by email depending on the channel of communication chosen by the Client in the Request. The Client may also be informed through the Mobile Application, in which case the Client must subscribe to such push notifications in the settings of the Mobile Application.

3.12. The Bank shall store e-invoices and make it possible for the Payer to view the relevant e-invoice for a period of 15 months from the date of its submission to the Payer.

## 4. PAYMENT OF E-INVOICES

4.1. The Payer can pay the e-invoices received at the Bank:

4.1.1. by a single credit transfer at a Bank branch or through the Internet Bank (on the basis of a separate Payment Order).

4.1.2. by automatic credit transfer, if the Payer has concluded the Agreement with the Bank.

4.2. If the Payer opts for an automatic credit transfer and enters into the Agreement with the Bank, during the term of the Agreement, the Payer shall be deemed to have given his/her/its prior consent (payment order) to the Bank to unilaterally, without any further confirmation from the Payer, debit the Payer's account and transfer the funds to the account specified by the Payer on the basis of an e-invoice submitted by the E-Invoice Sender, in accordance with the procedure set out in the Terms and the Agreement.

4.3. The following conditions shall apply to automatic e-invoice payment:

4.3.1. the Bank shall execute automatic credit transfers for as long as the Automatic Credit Transfer Agreement concluded by the Payer with the Bank is valid.

4.3.2. automatic credit transfers shall only be made from the Payer's account specified in the Agreement in euro and only if the Payer's Account has sufficient funds to cover the total amount specified in the e-invoice and the fees charged by the Bank, as set out in the *Service Rates*.

4.3.3. the Bank shall execute payment orders only on the basis of e-invoices received on time, where the due date of payment has not expired and which, to the best of the Bank's knowledge, have not yet been paid by the Payer. If the Client/Payer has paid the e-invoice by any other method (one-off credit transfer, in cash, etc.), the Bank shall execute the payment order in accordance with the Agreement unless the Client/Payer terminates the Agreement by the payment date specified in the Agreement.

4.3.4. The Bank shall debit the Account on the payment date specified in the Agreement, unless the due date specified in the e-invoice is earlier than the payment date. If on the payment date there are no or insufficient funds in the Client's Account to execute automatic payment of the e-invoice, including payment of the Bank's applicable service fees, and the due date for payment of the e-invoice has not passed, and the Client has indicated in the Agreement that he/she/it agrees to the postponement of the payment, the Bank shall, for the purpose of executing the payment order, move the payment date to the next payment date, not later than the due date for payment indicated in the e-invoice, and shall pay the e-invoice when there are funds in the Account.

4.3.5. if the Payer's account has no funds or insufficient funds for executing the payment order in full, the Bank has the right to debit the missing amount of funds from the credit limit granted to the Payer's account in accordance with a separate Credit Agreement concluded between the Bank and the Payer (if such an agreement is concluded).

4.3.6. The Bank shall execute Payment Orders in accordance with the Payer's requirements specified in the Agreement, i.e., if the amount indicated in the e-invoice is higher than the Transaction Amount or the Monthly Transaction Limit specified in the Agreement, the Bank shall not execute the Payment Order. In this case, the Payer shall be entitled to perform a regular credit transfer.

4.3.7. if the Payer has entered into more than one Agreement with the Bank and these Agreements provide for the same payment date, the Bank shall decide on the order of payment of e-invoices.

4.3.8. The Payer must ensure that on the payment date the Account has a sufficient balance of funds in euro to execute the payment order, including the payment of the Bank's commission fee, as set out in the *Service Rates*. In the absence of sufficient funds in euro in the Account, the Bank shall not convert the funds in the Account in another currency into euro.

4.3.9. The Payer shall have the right to cancel the automatic credit transfer before the payment date specified in the Agreement by informing the Bank through the Internet Bank or by submitting a written request at a Bank branch.

4.4. The Bank shall not execute automatic credit transfers if:

4.4.1. the Payer's Account does not contain sufficient funds to execute the full automatic credit transfer and to debit the fees due to the Bank in accordance with the *Service Rates*.

4.4.2. the funds in the Payer's Account are seized or the Payer's right to dispose of the funds in the Account is otherwise restricted.

4.4.3. the Account Agreement has been terminated.

4.4.4. the Payer has provided incorrect details of the E-Invoice Sender's account or his/her/its own Account.

4.4.5. the Agreement is void or terminated at the time of execution of the automatic credit transfer.

4.4.6. the Payer is subject to bankruptcy proceedings, the Payer (a legal entity) is liquidated, or the Payer (a natural person) dies (including in the event of the death of one of the co-owners, if the Agreement stipulates that the Account shall be managed by mutual agreement of the co-owners). In such a case, the Bank shall unilaterally terminate the Agreement, shall cease to provide the e-invoicing service and shall not pay the e-invoices received prior to the occurrence of the circumstances referred to in this clause.

4.4.7. the amount of the automatic credit transfer submitted by the E-Invoice Sender exceeds the Transaction Amount or Transaction Limit specified in the Agreement.

4.4.8. in other cases, provided for in the legislation of the Republic of Lithuania or in the *General Rules* and the *Payment Rules*, when the Bank has the right or is obliged not to execute the instructions to debit the funds from the Payer's Account or not to provide the e-invoicing service.

4.5. Information on paid e-invoices is provided in the Account Statement.

## 5. VALIDITY, AMENDMENT AND CANCELLATION OR TERMINATION OF THE SERVICE

5.1. The e-invoicing service shall be provided to the Client/Payer for an indefinite period, until the Payer submits a separate Request for termination of the e-invoicing service to the Bank or the E-Invoice Sender.

5.2. The Client/Payer shall have the right to cancel the e-invoicing service t any time by informing the Bank or the E-Invoice Sender in writing or by any other means specified by the Bank.

5.3. The Bank shall have the right to unilaterally terminate the e-invoicing service to the Payer if:

5.3.1. the E-Invoice Sender does not submit any e-invoices to the Payer for twenty-four (24) consecutive months.

5.3.2. the Account Agreement concluded by the Bank and the Payer is terminated (after closing the Payer's Account).

5.3.3. the E-Invoice Sender no longer submits e-invoices to its customers.

5.3.4. the Bank no longer provides the e-invoicing service.

5.3.5. in other cases, provided for in the legislation of the Republic of Lithuania or the *General Rules*, the *Payment Rules*.

5.4. if the Client wishes to amend the terms and conditions of the Agreement, he/she/it shall be required to terminate the existing Agreement and conclude a new Agreement.

5.5. Upon termination of the Agreement, the e-invoice transaction shall remain valid, the Client shall continue to receive e-invoices that can be paid by the method of the Client's choice. If e-invoices are received before the conclusion of a new Agreement, they shall not be paid; only the invoices received after the conclusion of the Agreement shall be paid.

5.6. If the expiry date of the Agreement specified by the Payer coincides with the payment date, the Agreement shall expire when the payment is made on the payment date. If the Agreement is terminated before the due date for payment of e-invoices, the Bank shall no longer pay the e-invoices.

5.7. The Bank shall have the right to unilaterally amend the terms and conditions of the Agreement and these Terms in accordance with the procedure provided for in the *General Rules*.

5.8. If the E-Invoice Sender changes the number assigned to the Client/Payer and specified in the Agreement without changing any other terms and conditions of the agreement between the E-Invoice Sender and the Client/Payer under which e-invoices are submitted, then the number assigned by the E-Invoice Sender to the Client/Payer specified in the Agreement shall be automatically considered as changed respectively, the Agreement shall remain valid and payment orders under it shall continue to be executed.

## 6. SERVICE RATES CHARGED ON E-INVOICING SERVICE

6.1. The fees payable by the Payer to the Bank for the provision of the e-invoicing service and their amounts are set out in the *Service Rates*, which are made publicly available on the website of the Bank or at Bank branches.

6.2. The fees shall be paid in accordance with the procedure provided for in the Account Agreement between the Payer and the Bank and the *Payment Rules*.

## 7. REMEDIES AVAILABLE TO THE PAYERS

7.1. If the e-invoice is paid by an automatic credit transfer, the Payer shall be entitled to recover from the Bank the amount of the automatic credit transfer that has already been executed, provided that the Payer, who is a natural person, submits a request for the return of the funds to the Bank within eight (8) weeks from the date on which the funds have been debited from the Payer's Account, and that both of the following conditions are met:

7.1.1. when authorising the automatic credit transfer, the exact amount to be paid is not specified.

7.1.2. the amount of the automatic credit transfer is higher than the amount that the Payer could reasonably have expected, taking into account the Payer's previous expenditure, the terms of the agreement concluded with the E-Invoice Sender, and other circumstances. If the Payer, when instructing the Bank to execute an automatic credit transfer, specifies a limit on the amount of such a transaction (a limit on the amount of a single transaction or transactions to be executed in a month), it shall be presumed that the Payer could have had a reasonable expectation of the amount of such payment transactions.

7.2. At the request of the Bank, the Payer must provide data confirming that the conditions set out in sub-paragraphs 7.1.1 and 7.1.2 are met.

7.3. The payer shall not be entitled to recover funds debited by automatic credit transfer if the e-invoice has been submitted to the Payer at least four (4) weeks prior to the scheduled date of execution of the automatic credit transfer.

7.4. Paragraphs 7.1–7.3 of the Terms apply if the Payer is a natural person.

7.5. The Bank, upon receipt of the Payer's request for repayment of the amount of the payment transaction, shall, within ten (10) Working Days, either repay the amount in full, or shall seek to recover the funds, if the funds have been transferred to the E-Invoice Sender's account with the bank of another Payment Service Provider, or shall indicate the reasons for refusing to repay the amount, and shall inform the Payer of the procedure by which such a refusal may be appealed against. The Bank shall be entitled to charge a fee for the repayment of funds as set out in the *Service Rates*.

7.6. The Bank shall have the right not to repay the funds debited from the Payer's Account by automatic credit

transfer if the Payer submits a claim for reimbursement of the funds after the expiration of a period of thirteen (13) months or more from the date of debiting of the funds from the Account and if the Payer has been provided with the information in the Account Statement about the improperly or mistakenly executed payment transaction.

7.7. If the funds under the received e-invoice are transferred to the account of the E-Invoice Sender held with another Payment Service Provider's institution, the Payment Service Provider may require the Payer to provide the data that are related to the e-invoicing service or that are required by law.

## 8. LIABILITY, COMPLAINT AND DISPUTE RESOLUTION PROCEDURES

8.1. The Payer is responsible for the accuracy of the data provided in the Request and the Agreement.

8.2. The Bank is responsible for:

8.2.1. the timely submission to the Payer of e-invoices received from the E-Invoice Sender.

8.2.2. the proper execution of payment orders in accordance with these Terms and/or the terms of the Agreement.

8.3. The Bank shall not be liable for:

8.3.1. the correctness of the information provided in the e-invoice, including the amount due, and the content of the e-invoice, the validity of the information provided in the e-invoice, or the information of a promotional nature contained in the e-invoice. The E-Invoice Sender is responsible for the validity of any information contained in the e-invoice.

8.3.2. erroneously accepted Payer's requests by the E-Invoice Sender.

8.3.3. the submission of an e-invoice to the Payer if the E-Invoice Sender did not submit it to the Bank, or non-payment of an e-invoice if the E-Invoice Sender did not send the e-invoice to the Bank or sent the e-invoice at a time when a payment transaction cannot be executed in accordance with these Terms.

8.3.4. non-payment or late payment of an e-invoice and for interest or default interest charged by the E-Invoice Sender to the Client/Payer for late payment, or any other claims, provided that the payment order has been executed in accordance with these Terms.

8.3.5. non-payment of an e-invoice under the Agreement, if the payment order was not executed due to circumstances provided for in paragraph 4.4 of the Terms.

8.3.6. for communication or other technological failures that were not caused by the Bank's fault, which prevented the Bank from executing payment orders.

8.4. The Bank shall not deal with any claims or disputes between the E-Invoice Sender and the Payer.

8.5. If the Payer believes that the Bank is not fulfilling or is improperly fulfilling these Terms, the Payer must immediately, but not later than within sixty (60) calendar days from the date of the breach of the Terms, submit to the Bank a claim in writing or in any other manner acceptable to the Bank regarding the breach of these Terms. The Bank shall examine the Payer's claim at the Bank in accordance with the procedure established by the legislation of the Republic of Lithuania. If the Payer believes that the Bank has not properly dealt with his/her/its claim or has not remedied the breach alleged by the Payer, the Payer shall have the right to apply to the Bank of Lithuania or to the court in accordance with the procedure set out in the legislation of the Republic of Lithuania for the remedy of the violated rights and legitimate interests.

8.6. Disputes between the Bank and the Payer arising out of the Agreement and/or its performance shall be settled by negotiation. If the dispute cannot be settled by negotiation, it shall be settled by the competent court of the Republic of Lithuania in accordance with the procedure established by the laws of the Republic of Lithuania.

## 9. FINAL PROVISIONS

9.1. These Terms shall enter into force on the date of their publication on the website of the Bank unless another effective date is specified.

9.2. The Terms may be amended by the Bank's decision, with the amendment being publicly notified to the Bank's clients in accordance with the procedure set out in the *General Rules*.

9.3. These Terms shall be considered an integral part of the Request and/or the Agreement.

9.4. The Parties undertake to keep confidential all information about the terms and conditions of the Request and the Agreement, as well as about the Payer and his/her/its payments, and to disclose such information only to the E-Invoice Sender, the operator of the Bank, the payment service providers who participate in the provision of the e-invoicing service, and to third parties, only in the cases provided for by laws of the Republic of Lithuania.

9.5. The Bank undertakes to ensure that the personal data of the Payers obtained in the performance of the Request or the Agreement shall be processed in a lawful manner, strictly in accordance with the requirements provided for in the Law on Legal Protection of Personal Data of the Republic of Lithuania and other legal acts, and shall apply the necessary organisational and technical measures to protect the personal data of the Payers against unauthorised destruction or disclosure, as well as against any other unlawful processing. The Bank processes personal data as set out in its *Personal Data Protection Rules* available online at www.artea.lt. At the Payer's request, the Bank shall provide a paper copy of the *Personal Data Protection Rules*.