

ELECTRONIC INVOICE PRESENTMENT AND PAYMENT RULES

Effective date: 4 January 2016

1. INTRODUCTION

- 1.1. Electronic Invoice Presentment and Payment Rules (hereinafter – “the E-Invoice Rules”) have been prepared in accordance with the legislation of the Republic of Lithuania and the European Union that regulate the provision of payment services as well as pursuant to the Rules for the Presentation of Electronic Invoices to Payers approved by the Association of Lithuanian Banks.
- 1.2. The E-Invoice Rules shall constitute an integral part of the General Rules; therefore they must be interpreted and construed together with the General Rules, taking relevant context into account. The E-Invoice Rules shall regulate the presentment of E-Invoices to Payers as well as their payment procedure and terms.
- 1.3. The E-Invoice Rules shall be applicable to Payers who have submitted a request for E-Invoicing and to Payers who have submitted authorizations to collect direct debits from their accounts which, following the coming into force of the E-Invoice Rules and provided the Payer has not canceled them, will be replaced by automated E-Invoice payment agreements.

2. TERMS AND DEFINITIONS

- 2.1. Unless the context otherwise requires, the capitalized terms used herein shall have the following meanings. Other terms used herein have the meaning as defined in the General Rules and in the Rules for the Presentation of Electronic Invoices to Payers approved by the Association of Lithuanian Banks.
 - 2.1.1. **Partial Invoice** means the electronic invoice which contains only the details that are necessary for the payment of the E-Invoice.
 - 2.1.2. **E-Invoice** means the Beneficiary’s electronic invoice presented to the Payer for the services and/or goods provided to the Payer or other recipient of services or goods.
 - 2.1.3. **Automated E-Invoice Payment** means the transfer of funds initiated by the Payer in paying the invoices presented by the Beneficiary, which is performed by the Bank on behalf of the Payer based on a prior order of the Payer.
 - 2.1.4. **Automated E-Invoice Payment Agreement** means an agreement concluded between the Bank and the Payer whereby the Payer authorizes the Bank to execute automated payments of E-Invoices.
 - 2.1.5. **E-Invoicing Address** means the account number of the Payer’s Bank in IBAN format specified in the request.
 - 2.1.6. **Beneficiary** means the person who provides services and/or goods to the recipient of the services and/or goods and who presents E-Invoices for these services and/or goods to the Payer. The Payer and the recipient of services and/or goods may be the same person.
 - 2.1.7. **Limit** means a maximum amount per day or per calendar month specified by the Payer that may not be exceeded in the automated payment of E-Invoices.
 - 2.1.8. **Payer** means a person who has submitted a request for E-Invoicing and/or who has entered into an Automated E-Invoice Payment Agreement with the Bank.
 - 2.1.9. **Request for E-Invoicing (hereinafter – “the Request”)** means the request submitted by the Payer to the Beneficiary

or the Payment Service Provider for sending E-Invoices to the E-Invoicing address for the services rendered and/or goods provided.

3. ORDERING AND PRESENTING E-INVOICES

- 3.1. In order to receive E-Invoices, the Payer must submit a request to the Beneficiary or the Bank if the Beneficiary agrees that the Bank may accept such Requests.
- 3.2. The Payer may submit a Request at the Bank’s customer service branches or via an internet banking system, if the Payer has signed an Agreement on Electronic Services with the Bank.
- 3.3. E-Invoices shall be presented to the Payer via the internet banking system, if the Payer has signed an Agreement on Electronic Services with the Bank, or at any of the Bank’s customer service branches.
- 3.4. The Payer may only receive E-Invoices from the Beneficiaries that are included in the list available on the Bank’s website www.citadele.lt.
- 3.5. The Bank shall present the E-Invoice received from the Beneficiary to the Payer no later than 2 (two) calendar days prior to the due date for the payment of the E-Invoice.
- 3.6. If the Beneficiary presents E-Invoices to the Bank less than 2 (two) days prior to the due date for the payment of the E-Invoice, the Bank shall not present such E-Invoice to the Payer.
- 3.7. The Bank shall present the E-Invoice received from the Beneficiary to the Payer without checking or changing its content.
- 3.8. A partial invoice shall be presented to:
 - 3.8.1. the Payer who is not the recipient of services or goods for which the E-Invoice is being presented;
 - 3.8.2. the Payer who has not signed an Agreement on Electronic Services with the Bank;
 - 3.8.3. in other cases specified by the Beneficiary.
- 3.9. The Bank shall store the E-Invoices presented to Payers for a minimum period of 15 months from the date of their presentation.
- 3.10. E-Invoices shall be presented to the Payer on a non-fixed term basis until the date of receipt of a separate request from the Payer to terminate the presentation of E-Invoices.

4. PAYING E-INVOICES

- 4.1. The Payer may pay the E-Invoices by:
 - 4.1.1. a one-off credit transfer;
 - 4.1.2. an automated credit transfer in accordance with the E-Invoice Rules;
 - 4.1.3. using other methods offered by the Bank.
- 4.2. The Payer who wishes to pay E-Invoices by an automated credit transfer must sign an Automated E-Invoice Payment Agreement with the Bank. The Payer may choose a transaction limit, a monthly limit and any of the following E-Invoice payment dates: E-Invoice due date, one working day prior to the due date specified in the invoice, two working days after the receipt of the E-Invoice at the Bank, or any date from the period specified by the Beneficiary if the Beneficiary has defined a payment period.

- 4.3. If the Payer chooses to pay the E-Invoice by an automated credit transfer, the Payer must ensure that on the day prior to the payment date the account from which the automated credit transfer will be made has sufficient funds to pay the E-Invoice and any costs related to this payment. The Bank shall not perform an automated credit transfer if there are insufficient funds in the Payer's account on the date of payment.
- 4.4. The Bank shall also not execute an automated credit transfer where:
 - 4.4.1. the funds in the Payer's account have been arrested or the Payer's right to use the funds in the account is limited otherwise;
 - 4.4.2. The Payer has provided incorrect details of the E-Invoice sender or incorrect Payer's account details;
 - 4.4.3. The Payer's card associated with the E-Invoice payment agreement is blocked or otherwise prevented from being used;
 - 4.4.4. The amount specified in the E-Invoice issued by the Beneficiary exceeds the transaction limit or monthly limit indicated in the Automated E-Invoice Payment Agreement.
- 4.5. The Bank shall execute an automated credit transfer on the days selected by the Payer without exceeding the specified limit. If, on the day selected by the Payer, the Payer's account has insufficient funds to pay the E-Invoice, and the Payer has selected a repeat withdrawal in the Special part of the Automated E-Invoice Payment Agreement, the Bank shall try to execute the payment of the E-Invoice every day following the day selected by the Payer until the due date of the E-Invoice.
- 4.6. The Payer shall pay all charges to the Bank for presentation of E-Invoices and/or execution of automated payment, if such charges are specified in the Bank's Price List.
- 6.1.2. The amount of the automated credit transfer is higher than the amount that the Payer could reasonably have expected taking into account previous expenses, the terms and conditions of the agreement concluded with the Beneficiary and other circumstances. If the Payer specified the limit (per transaction or for several transactions executed over a certain period of time) for such transactions when authorizing the Bank to execute an automated credit transfer, it shall be deemed that the Payer could reasonably have expected the said amount of these payment transactions.
- 6.2. At the Bank's request, the Payer must provide data confirming the compliance with the conditions set out in clauses 6.1.1 – 6.1.2.
- 6.3. The Payer shall not be entitled to the refund of the funds withdrawn by an automated credit transfer if the E-Invoice was presented to the Payer at least 4 (four) weeks prior to the day of the execution of the scheduled automated credit transfer.
- 6.4. If the Bank receives the Payer's request for a refund of the payment transaction amount, the Bank shall, within 10 (ten) working days, refund the full amount or specify reasons for the Bank's refusal to issue a refund as well as a procedure for an appeal against such refusal.
- 6.5. The Payer shall be entitled to receive the refund of the executed automated credit transfer from the Bank if the funds have been withdrawn from the account unlawfully and the Payer has submitted a claim to the Bank no later than within 13 (thirteen) months from the date of the withdrawal of funds from the Payer's account.
- 6.6. The provisions of this section are only applicable if the Payer is a natural person.

5. LIABILITY AND COMPLAINT AND DISPUTE SETTLEMENT PROCEDURE

- 5.1. The Bank shall be responsible for the delivery of the E-Invoices received from the Beneficiary to the Payer.
- 5.2. The Bank shall not be held liable for the content of the E-Invoice or the validity of the data provided in the E-Invoice. The Beneficiary or the Beneficiary's Payment Service Provider shall be liable for the lawfulness of the provision of information contained in the E-Invoice.
- 5.3. The Bank shall not be held liable for the delivery of E-Invoice to the Payer and/or its payment by an automated credit transfer if the Beneficiary or the Beneficiary's Payment Service Provider has not provided it to the Bank.
- 5.4. The Payer shall be liable for the correctness of any information provided in the Request and/or in the Automated E-Invoice Payment Agreement.
- 5.5. The Bank shall not examine disputes that may arise between the Beneficiary and the Payer or act as a mediator in settling such disputes.
- 5.6. Any disputes that may arise between the Payer and the Bank shall be resolved in accordance with the procedure described in the General Rules.

6. PROTECTION OF THE PAYER'S RIGHTS

- 6.1. Where the E-Invoice is paid by an automated credit transfer, the Payer shall be entitled to receive a refund of the executed automated credit transfer from the Bank if the Payer, being a natural person, submits a request for a refund to the Bank within 8 (eight) weeks after the date of the withdrawal of funds from the account, and provided both of the following conditions are met:
 - 6.1.1. The exact amount of the payment transaction was not specified when authorizing the automated credit transfer;
 - 6.1.2. The amount of the automated credit transfer is higher than the amount that the Payer could reasonably have expected taking into account previous expenses, the terms and conditions of the agreement concluded with the Beneficiary and other circumstances. If the Payer specified the limit (per transaction or for several transactions executed over a certain period of time) for such transactions when authorizing the Bank to execute an automated credit transfer, it shall be deemed that the Payer could reasonably have expected the said amount of these payment transactions.
- 6.2. At the Bank's request, the Payer must provide data confirming the compliance with the conditions set out in clauses 6.1.1 – 6.1.2.
- 6.3. The Payer shall not be entitled to the refund of the funds withdrawn by an automated credit transfer if the E-Invoice was presented to the Payer at least 4 (four) weeks prior to the day of the execution of the scheduled automated credit transfer.
- 6.4. If the Bank receives the Payer's request for a refund of the payment transaction amount, the Bank shall, within 10 (ten) working days, refund the full amount or specify reasons for the Bank's refusal to issue a refund as well as a procedure for an appeal against such refusal.
- 6.5. The Payer shall be entitled to receive the refund of the executed automated credit transfer from the Bank if the funds have been withdrawn from the account unlawfully and the Payer has submitted a claim to the Bank no later than within 13 (thirteen) months from the date of the withdrawal of funds from the Payer's account.
- 6.6. The provisions of this section are only applicable if the Payer is a natural person.

7. CONCLUSION, VALIDITY TERM AND TERMINATION OF THE AUTOMATED E-INVOICE PAYMENT AGREEMENT

- 7.1. If the Payer has submitted a Request to the Beneficiary, the Payer may cancel it through the Bank only in the event the Beneficiary has presented at least one E-Invoice through the Bank.
- 7.2. The Automated E-Invoice Payment Agreement shall be comprised of the following: Special Part, E-Invoice Rules and General Rules.
- 7.3. The Automated E-Invoice Payment Agreement may be concluded in the ways specified by the Bank.
- 7.4. The Special Part of the Automated E-Invoice Payment Agreement may only be amended by mutual agreement between the Payer and the Bank, and the E-Invoice Rules may be amended unilaterally by the Bank in accordance with the procedure set out in section 14 of the General Rules.
- 7.5. The Payer shall have the right to unilaterally terminate the Automated E-Invoice Payment Agreement by giving at least 7 (seven) calendar days' prior notice to the Bank in writing or via the internet banking system.
- 7.6. The Bank shall have the right to unilaterally terminate the Automated E-Invoice Payment Agreement by giving at least 30 (thirty) calendar days' prior notice to the Payer in writing or via the internet banking system.
- 7.7. The Automated E-Invoice Payment Agreement shall also cease to have effect:
 - 7.7.1. after the expiry of the agreement for the Payer' account from which the automated credit transfers are made;
 - 7.7.2. after closing the Payer's bank account to which E-Invoices are sent;
 - 7.7.3. following the Payer's death or liquidation if the Payer is a legal person;
 - 7.7.4. if the Payer submits a Request to terminate E-Invoicing;
 - 7.7.5. If the Beneficiary terminates the E-Invoice distribution agreement.