



## **TERMS AND CONDITIONS OF PAYMENT SERVICES**

## 1. General provisions

1.1. These Terms and Conditions for Payment Services are an integral part of the General Terms and Conditions which shall apply between the Client and Walleto in all cases where Walleto provides the service of executing any of the following types of Payment Transaction:

- 1.1.1. direct debit, including one-time direct debit;
- 1.1.2. payment transactions using a payment card or similar device;
- 1.1.3. credit transfers, including standing orders.

1.2. Terms and Conditions of Payments services shall be interpreted together with the General Terms and Conditions.

1.3. These Terms and Conditions for Payment Services shall come into force after the Customer expresses his consent with the General Terms and Conditions.

## 2. Definitions

2.1. **Account** – account opened in Walleto’s system for the Client’s use;

2.2. **Business Day** – any day other than a Saturday or a Sunday;

2.3. **Client** – natural person or legal entity accepting General Terms and Conditions including its integral parts;

2.4. **Consent** – Client’s consent to execute the Payment Order;

2.5. **Customer** – natural person who operates under these General Terms and Conditions and its annexes and does not pursue aims which are not consistent with business, commercial or professional activity of this person

2.6. **General Terms and Conditions** – agreement governing all relationships between the Client and Walleto;

2.7. **Member State** – a country which belongs to European Economic Area.

2.8. **Payee** – natural or legal person who is indicated in the Payment Order as the recipient of funds;

2.9. **Payer** – natural or legal person submitting a Payment Order;

2.10. **Payment Order** – an order either by the Payer or the Payee to Walleto for the execution of the Payment Transaction;

2.11. **Payment Service** – payment services provided by Walleto as defined in the licence of Walleto as an electronic money institution;

2.12. **Payment Service Provider (PSP)** – banks, credit, institutions, electronic money or payment institutions, other institutions;

2.13. **Payment Transaction** – act, initiated by the Payer or on his behalf or by the Payee, of placing, transferring or withdrawing funds, irrespective of any underlying obligations between the Payer and the Payee;

2.14. **Unique Identifier** – combination of letters, numbers and symbols that Walleto, as a payment service provider, provide to the Client and is used to identify the payment services involved in the Payment transaction and / or Client’s Account used in the Payment transaction;

2.15. **SEPA** – Single Euro Payments Area;

2.16. **SEPA Payment** – transfer of funds between SEPA countries, which participate in the SEPA scheme;

2.17. **SWIFT** – Society for Worldwide Interbank Financial Telecommunications;

2.18. **SWIFT payment** – transfer of funds where SWIFT network is used;

2.19. **Walleto** – is UAB “Walleto”, company code 304686884, registered office: Žalgirio str. 92-805, 09303 Vilnius, Lithuania, email: info@walleto.eu, website address: www.walleto.eu. Walleto is registered in the Register of Legal Entities of the Republic of Lithuania and owns an electronic money institutions license No 33, issued by the Bank of Lithuania on 29 March 2018.

2.20. Other terms and acronyms shall have the same meaning as defined in the General Terms and Conditions.

### **3. Submission of a Payment Order**

3.1. Payment Orders are submitted for their execution to Walleto via the System. Execution of a Payment Order will be performed in accordance with the procedure established in Section 5.

3.2. A Payment Order is considered received when all the following conditions are met:

3.2.1. the Client ensures that submitted Payment Order contains sufficient information for Walleto to execute it;

3.2.2. Where deemed necessary by Walleto, supporting documents are provided to support the Payment Transaction. All costs regarding provision of supporting documents are covered by the Client;

3.3. Time period for the execution of Payment Orders shall be started only if conditions established in clauses 3.2.1 – 3.2.2 are fulfilled.

3.4. All cost regarding provision of supporting documents as stated in clause 3.2.2 are covered by the Client.

3.5. The Client has an obligation to submit unambiguous and clear Payment Orders. Walleto shall not be held liable for errors, inaccuracies, contradictions in the Payment Orders submitted by the Client including but not limited to correctness of the details of the Payment Order submitted by the Client.

3.6. Walleto shall not be held liable for Clients failure to provide the Unique Identifier and other information in the Payment Order including situations when Payment Service Provider of the Payee has set a different Unique Identifier in order to properly execute the Payment Order.

3.7. Walleto has the right, but not an obligation to check if the Unique Identifier stated in the Payment Order received by Walleto corresponds with the information of the Payee.

3.8. Walleto has the right to request additional and / or other mandatory information, which may include, but not limited to amount and currency, Payee's name, surname / legal entity name / payment code, that must be provided to Walleto with the Payment Order for the purpose of proper execution of the Payment Transaction.

### **4. Authorization of a Payment Transactions**

4.1. In order to execute the Payment Transaction, the Client shall fill the Payment Order in accordance with Section 3 and confirm their Consent via Walleto's system.

4.2. The Payment Order and Payment Transaction are deemed authorised after the Client has provided the Consent to execute the Payment Order.

4.3. The Client shall provide their Consent in the form and method established by Walleto or in the form and method agreed by Walleto and the Client.

4.4. The Consent provided in the form and method established by Walleto or agreed between Walleto and the Client shall be considered as evidence in adjudication of any types of disputes between Walleto and the Client.

4.5. The Client shall not be entitled to challenge or any other way dispute the Payment Transaction performed by Walleto if the Clients submitted Payment Order met all necessary requirements and Consent was provided.

4.6. Client's Consent shall be considered submitted until the beginning of execution of the Payment Order.

### **5. Execution of a Payment Order**

- 5.1. The Client agrees that a Payment Order shall be executed by Walleto if all the following conditions are met:
  - 5.1.1. Walleto receives the Payment Order along with sufficient information and supporting documents;
  - 5.1.2. The Client authorized the Payment Order; and
  - 5.1.3. For the execution of the Payment Order Clients Account has sufficient funds.
- 5.2. If the Payment Order does not meet all conditions established in clause 5.1, Walleto in accordance with Section 7 shall refuse to execute the Payment Order.
- 5.3. When the Payment Order is received, Walleto begins to execute it in accordance to the requirements of legal acts immediately (within a few minutes) within the timeframes established under clauses 5.4.1–5.4.2, unless the Payment Transaction is suspended due to specific cases provided for in the legislation, General Terms and Conditions or its integral parts.
- 5.4. Walleto executes Payment Orders according to the following timeframes:
  - 5.4.1. Where a SEPA Payment Transaction is executed and the Customer is a Payer, Walleto shall guarantee the crediting of the funds into the Payee’s account on the day of execution of the Payment Order and where the Payment Order execution day is not a Business Day of Walleto – on the nearest Business Day.
  - 5.4.2. Where a Payment Transaction is executed in currencies of non-SEPA Member States in the Republic of Lithuania and to other Member States, and the Client is a Payer, Walleto shall ensure that the Payment Transaction amount is credited to the Payee’s Account on the day of execution of the Payment Order, and where the day of execution of the Payment Order is a non-Business Day of Walleto – on the nearest Business Day for Payment Transactions being executed, but no later than within 4 (four) Business Days of the receipt of the Payment Order.
- 5.5. If the Client submits the Payment Order which does not contain sufficient data or contains inaccuracies, Walleto is entitled to refuse the execution of such Payment Order in accordance with Section 7 or execute it according to the data provided in the Payment Order irrespective of the nature of the inaccuracies in the Payment Order.
- 5.6. If Walleto executes the Payment Order according to the data provided by the Client in the Payment Order, it shall be considered that Walleto has fulfilled the contractual obligations properly and shall not repay the transferred amount to the Client.
- 5.7. Walleto shall execute the Payment Order according to the Unique Identifier and other information provided by the Client in the received Payment Order.
- 5.8. If Walleto executes the Payment Order according to the data provided by the Client in the Payment Order, Walleto on request of the Client shall take necessary steps to trace the Payment Order.
- 5.9. Walleto reserves the right to record and store any Payment Order executions placed on Walleto’s System. Walleto may present these records to the Client or third parties who, on the grounds established by law, have the right to receive such data as evidence confirming the submission and execution of the Payment Order.
- 5.10. The Client is informed that Walleto by executing the Payment Order shall transfer details of the Payment Order including the Clients personal data to the Payee’s Payment Service Provider.
- 5.11. The Client acknowledges that Payment Orders are executed in Euros by default and may be subject to currency exchange.
- 5.12. The Client is informed that Walleto reserves the right to use third parties to partially or fully execute Client’s Payment Order if Client’s interests and / or the essence of the Payment Order so require. In the event that the essence of Clients Payment Order requires that the Payment Transaction be further sent and executed by another financial institution, but this institution suspends the Payment Order, Walleto is not responsible for such actions of that financial institution, but Walleto will try to find out the reasons for the Payment Order suspension.
- 5.13. If the money transferred by the Payment Order is returned due to reasons beyond Walleto’s control (inaccurate data of the Payment Order, the Beneficiary’s account is closed, etc.), the

refunded amount will be credited to Client's Account. The commission fees paid by the Client for the execution of the Payment Order shall not be refunded, and other fees related to the refund and applicable to Walleto may be deducted from Client's Account.

5.14. When the Client is a Payer and the Payment Transaction is performed in Euros in the Republic of Lithuania and other Member States, Walleto ensures that the amount of the Payment Transaction is credited to the Beneficiary's account on the day of the Payment Transaction, if the execution date of the Payment Order is not Walleto's Business Day, it is the next Business Day. When the Client is a Payer and a Payment Transaction is made in the currencies of non-euro area Member States in the Republic of Lithuania and other Member States, Walleto ensures that the Payment Transaction amount is credited to the Beneficiary's account on the day of the Payment Transaction, and, if the Payment Order execution date is not Walleto's Business Day, then the nearest Business Day for Payment Transactions, but not later than within 3 (three) Business Days after Walleto has received the Payment Order.

5.15. The terms and conditions for the execution of Payment Transactions and the duration of the execution of other Services are set out in the General Terms and Conditions, the Commission Fees and other additional agreements between the Client and Walleto.

5.16. The maximum limits for the costs of Payment Transactions executed by the Payment instrument may be specified in additional agreements signed between the Client and Walleto.

## **6. Cancellation of the Payment Order**

6.1. The Payment Order may be cancelled only if the Client and Walleto agrees on it, but the consent of the Payee is required.

6.2. The Payment Order cannot be cancelled after Walleto received it, except situations specified in General Terms and Conditions, Terms and Conditions of Payment Services, other integral parts or legal acts.

6.3. Payment Order submitted cannot be cancelled after the Client has provided Consent via Walleto's system to perform the Payment Transaction unless the execution of the Payment Order in accordance with Section 5 has not begun.

6.4. If the Payment Transaction has been initiated by the Payee or via the Payee, the Client cannot cancel the Payment Order after the Payment Order has been sent.

6.5. If the Payment Order has not been executed due to inaccuracies in the Payment Order, the Client may request to cancel the Payment Order or remove inaccuracies by contacting Walleto.

6.6. If the Client requests Walleto to review the Payment Order in order to correct inaccuracies or cancel the Payment Order, additional fees may apply.

## **7. Refusal to execute Payment Orders**

7.1. A Payment Order of which execution has been refused in accordance with Section 7 shall be deemed as not received by Walleto.

7.2. Walleto shall refuse to execute a Payment Order if it does not meet the requirements set in clauses 5.1.1–5.1.3. of this Agreement.

7.3. Walleto reserves the right to refuse the execution of Payment Orders submitted by the Client if:

7.3.1. Walleto has doubts that the Payment Order was submitted not by the Client or authorised representative of the Client;

7.3.2. Walleto has doubts in the legitimacy of provided documents or provided documents are forged;

7.3.3. Other cases which stated in the legal documents of the Republic of Lithuania and European Union.

7.4. The Client agrees that in events described in clause 7.3, Walleto may repeatedly demand the Client to additionally confirm the submitted Payment Order and provide Walleto's requested documents. These actions shall be performed with the sole purpose to protect the legitimate interests of the Client, Walleto and/or other persons. Therefore, Walleto shall not be liable for the losses that may occur due to the refusal to execute the submitted Payment Order.

7.5. If Walleto refused to execute the Payment Order submitted by the Client, Walleto shall inform the Client, unless such notification is technically impossible or forbidden by legal acts.

7.6. Walleto shall not execute the Payment Order if the funds held in the Client's Account are seized, restricted, right of disposal is limited.

7.7. If the funds under the Payment Order were repaid due to reasons beyond Walleto's control (for example account of the Payee is closed, incorrect data etc.) the repaid amount shall be credited in the Client's Account.

7.8. The Client is informed that the Commission Fees paid for the execution of the Payment Order shall not be repaid. Additionally, other fees and costs related to repayment of funds can be debited from the Account of the Client.

7.9. Walleto is entitled to cancel or suspend the Payment Order submitted by the Client if there are reasonable grounds to believe that the Payment Order submitted by the Client is fraudulent or illegal, including Walleto's obligations to cancel or suspend the Payment Order submitted by the Client according to the applicable legal acts of the Republic of Lithuania and European Union.

7.10. Walleto reserves the right to report to law enforcement authorities about the suspected or cancelled Payment Orders submitted by the Client and shall not be held responsible for such actions.

7.11. In events when the Client provides all necessary information and documents, and conditions described in clauses 7.3.1–7.3.3 cease to exist, Walleto shall resume the execution of the Payment Order in accordance with Section 5.

## **8. Sufficiency of Funds**

8.1. In accordance with Section 5 the Client is responsible for ensuring that there are sufficient Funds in Client's Account in the relevant currency to execute the Payment Order.

8.2. If the amount of Funds on the Client's Account is insufficient in order to execute the Payment Order, the Payment Order shall not be executed without any additional notice.

8.3. If Client's Account balance is insufficient or Account balance becomes negative, Walleto reserves the right to bill the Client for any deficiencies/shortfall.

8.4. Walleto has the right without the Client's additional Consent to deduct the Funds from the Client's Account only on the grounds established under this Agreement. Where it is established under this Agreement that the Client disposed the Funds, due to which the amount of Funds on the Client's Account is insufficient to debit the funds credited by mistake, the Client unconditionally commits to compensate Walleto the Funds credited by mistake in 3 (three) Business Days from the receipt of such request from Walleto.

## **9. Account Statement**

9.1. Walleto shall provide the Client with an Account statement for Client's Payment Transactions, which can be submitted through Client's Account, including the following information:

- 9.1.1. amount of the Payment Transaction in the currency specified in the Payment Order;
- 9.1.2. Commission Fees paid for Payment Transactions and how they are distributed;
- 9.1.3. the valid exchange rate and the amount of the Payment Transaction after the exchange rate, if the currency was exchanged during the Payment Transactions;
- 9.1.4. date of debiting from the Account;

- 9.1.5. date of income to the Account;
- 9.1.6. other information that will be provided to the Client in accordance with the applicable legal acts of the Republic of Lithuania.

## **10. Unauthorised or incorrectly executed Payment Transactions**

10.1. The Client has an obligation to regularly but no less than once a month to check the Statement of Account where all executions of Payment Transactions are presented.

10.2. The Client is obligated to inform Walleto in writing about the unauthorized or improperly executed Payment Transactions, including the noticed mistakes, inaccuracies in the statement without undue delay from the acknowledging of such circumstances and in any case not later than within 13 (thirteen) months after the debit date. The other terms of informing Walleto about the circumstances described above may be used in cases set forth by the additional agreements signed between the Parties.

10.3. If the Client does not regularly check the Statement of Account and does not submit a notification specified in clause 10.2, it is considered that the Client has unconditionally agreed to the Payment Transactions that had been executed on the Account.

10.4. The use of the means of identification and access to the Account credentials is the sufficient proof, that the Client authorized the Payment Transaction or acted fraudulently or failed with intent or gross negligence to fulfil one or more of his obligations set forth in Section 11 of the General Terms and Conditions.

10.5. If Walleto determined that the Transactions was not authorized by the Client, Walleto without undue delay, but no later than by the end of the next Business Day, return the amount of the unauthorized Payment Transaction to the Client and, where applicable, - restore the balance of the Account from which this amount was written down and which would have existed if the unauthorized Payment Transaction had not been executed, unless Walleto has reasonable grounds to suspect fraud and inform the supervisory authority in writing of those reasons.

10.6. If recovery of funds is impossible, Walleto shall provide the Client available/relevant information for the Client to take legal actions against the Payee in order to recover these funds.

## **11. Liability for unauthorised Payment Transactions**

11.1. If the Client denies the authorization of the executed Payment Transaction or the Payment Transaction were executed improperly, Walleto is obligated to prove that the Payment Transaction was authenticated, accurately recorded, entered in the Account and not affected by a technical breakdown or some other deficiency in the Services provided by Walleto.

11.2. The Client, who is a consumer may incur all the losses of up to 50 (fifty) Euros resulting from unauthorized Payment Transactions if these losses have been incurred due to:

- 11.2.1. use of a lost or stolen payment instrument, if the authorization happened before the Client has notified Walleto of the loss or theft of payment instrument;

- 11.2.2. illegal acquisition of a payment instrument if the Client had not protected personalized security features (including identity verification instruments).

11.3. The Client shall be liable for any losses caused by unauthorized Payment Transaction, if the Client incurred them by acting fraudulently or by failing to fulfil, with gross negligence or intent, one or more of his obligations set forth in Section 11 of General Terms and Conditions and additional agreements concluded by the Parties.

11.4. Other terms of the liability of the Parties for the unauthorized Payment Transaction may be indicated in the additional agreements between the Parties.

## **12. Final provisions**

- 12.1. All relationships between the Client and Walletto are governed by the Law of the Republic of Lithuania.
- 12.2. Terms and Conditions for Payment Services may be amended or terminated in accordance with the procedure stated in the General Terms and Conditions.
- 12.3. These Terms and Conditions for Payment Services shall be published on Walletto's website.