



## **TERMS AND CONDITIONS OF PAYMENT CARDS**

## 1. General Provisions

1.1. These Terms and Conditions of Payment Cards (**Terms and Conditions**) are an integral part of the Contract and governs the relations between the Client and Walleto (**Card Issuer**) for the purpose of Walleto's Card Services.

1.2. These Terms and Conditions enter into force after Walleto accepts the Client's submitted application and issues the Card to the Cardholder.

## 2. Definitions

2.1. The following definitions are used:

2.1.1. **Business Day** – any day other than a Saturday or a Sunday or a public or bank holiday in Lithuania;

2.1.2. **Directive (EU) 2015/849** – Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC;

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

2.1.4. **Client** or **you**– natural person or legal entity accepting the Contract for the use of our Services;

2.1.5. **Commission** – a fee charged by us for issuing a Card, for a Payment Transaction and/or related Services. The Commissions for our Services and transactions are publicly available at <https://walleto.eu/pricing/>. The Commissions are confirmed and changed in accordance with the procedure established by the General Terms and Conditions;

2.1.6. **Card** – a Payment Instrument which has been issued by the Card Issuer to the Cardholder and owned by the Card Issuer. The term may refer to both physical items such as plastic or metal cards and sets of data such as virtual cards or digital cards (tokens);

2.1.7. **Card Issuer** – any bank or financial institution that is a member of a Card Association and issues a Card. In the relationship with the Client, Walleto is the Card Issuer;

2.1.8. **Card Security Credentials** – the Cardholder data, the Card data (PAN, CVC2 or CVV2, expiration date), PIN code and/or other means provided to the Cardholder by the Card Issuer that enable the Cardholder to be authenticated and operations initiated, including, but not limited to remote Payment Transactions initiated online;

2.1.9. **Cardholder** – a person to whom the Card is issued to and who is authorized to use the card. In the context of this Agreement the Cardholder and the Client can be the same person;

2.1.10. **Service** – any (or all) of the services referred to in Clauses 1.6.1 to 1.6.5 of the General Terms and Conditions;

2.1.11. **Distributor** – a third-party with whom Walleto has agreed to cooperate in the distribution of Cards;

2.1.12. **Application** – an application submitted by the Client to Walleto to order a Card;

2.1.13. **Terms and Conditions** – an agreement on these Terms and Conditions of Payment Cards concluded between the Client and Walleto;

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

2.1.15. **PIN** – Personal Identification Number;

2.1.16. **Payment Account** – a payment account opened on our System for your use;

2.1.17. **System** – an electronic system used for the provision of services accessible by means of remote communication or the Internet;

2.1.18. **Contract** – the General Terms and Conditions and any other specific terms and conditions for the provision of the Services (e.g. these Terms and Conditions of Payment Cards, the Terms and Conditions of Payment Services, the Terms and Conditions of Acquiring of

Payments) agreed between the Parties and which shall apply together with the General Terms and Conditions as set out in Clause 1.2 of the General Terms and Conditions.

2.1.19. **International Card Organisation** – international payment card organisations VISA International, MasterCard International;

2.1.20. **Walletto** or **we** – Walletto, UAB, company code 304686884, registered office: Žalgirio str. 92-222, 09303 Vilnius, Lithuania, email: info@walletto.eu, website address: www.walletto.eu. Walletto is registered in the Register of Legal Entities of the Republic of Lithuania and holds an electronic money institution license No 33, issued by the Bank of Lithuania on 29 March 2018. The Bank of Lithuania supervises Walletto. For more information about the supervisory authority, please click on the following link: <https://www.lb.lt/en/>.

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

### **3. Client's Obligations**

3.1. The Client has the following obligations:

3.1.1. to observe the procedures and instructions provided by Walletto and requirements described in the General Terms and Conditions and other integral parts of the Contract;

3.1.2. to inform Walletto of any malfunctions that prevent the execution of Payment Transactions;

3.1.3. to hold sufficient amount of funds on the Payment Account to settle the Commissions and make Payment Transactions;

3.1.4. to notify Walletto immediately, but no later than in 5 (five) Business Days, if there has been a change in material information about the Cardholder;

3.1.5. to block the Card immediately after the Card has been stolen, lost or the Card Security Credentials have been compromised by third parties.

### **4. Card Issuing**

4.1. In order to obtain the Card, the Client must submit an Application to Walletto via the System or a Distributor.

4.2. After accepting the Client's Application, Walletto shall issue a Card. Walletto may issue more than one Card at the Client's request. Walletto shall determine the maximum number of Cards to be issued at its sole discretion.

4.3. At the Client's request, the Card may be issued not only to the Client, but also to another person designated by the Client with an approval of the Client, i.e. a Cardholder. If the Client requests that the Card be issued to another person, the Client must inform the Cardholder of these Terms and Conditions.

4.4. When the Card is issued, the Cardholder shall be provided with unique Card Security Credentials. The use of such Card Security Credentials shall be considered as the Cardholder's signature for the purposes of Payment Transactions. The use of the Card Security Credentials shall constitute the consent and authorisation to make Payment Transactions.

4.5. The Cardholder shall not disclose Card Security Credentials to third parties.

4.6. Walletto has the right to send the Card and the Card Security Credentials by post or through a person authorised by Walletto.

### **5. Card Payments**

5.1. Only the Cardholder is entitled to perform Payment Transaction with the Card.

5.2. Payment Transaction may be performed by the Cardholder:

5.2.1. immediately after a virtual Card is issued;

5.2.2. only after a physical Card has been activated in accordance with the instructions received.

5.3. The Cardholder may only make Payment Transaction up to the amount located in the Payment Account and in accordance with the limits set by Walleto for the use of the Card (daily, weekly, monthly maximum amount for Payment Transactions). Walleto reserves the right to set the limits on the use of the Card.

5.4. Walleto assumes that the Cardholder consents to, authorises and initiates all Payment Transactions, unless proven otherwise.

5.5. The use of the Card or Card Security Credentials to initiate a Payment Transaction shall be deemed to be an authorisation and consent to the Payment Transaction. Unless otherwise specified for the consumer protection purposes, where the Cardholder consents to a Payment Transaction, the Cardholder shall not be entitled to a refund unless the Payee agrees to refund the credited amount to the Cardholder.

5.6. Payment transactions initiated using the Card shall be executed in the Payment Account in accordance with the Contract, its integral parts and the applicable law.

5.7. A Payment Transaction made by the Cardholder using the Card may be rejected if:

5.7.1. the Card is invalid or blocked (in accordance with Section 7 of these Terms and Conditions);

5.7.2. the Client's Payment Account has been closed, suspended or restricted by Walleto;

5.7.3. the amount of funds required to execute the Payment Transaction exceeds the available amount of funds on the Client's Payment Account;

5.7.4. there are other circumstances arising from these Terms and Conditions or the applicable laws of the Republic of Lithuania, or if the Client is suspected of fraud/illegal activity.

5.8. Walleto reserves the right to use the services provided by third parties in order to ensure the execution of Payment Transaction and/or the smooth provision of other Services.

## **6. Requirements for Ensuring the Secure Use of Cards**

6.1. The Cardholder undertakes to:

6.1.1. activate the physical Card before use. This process must to be completed upon receipt of the physical Card. The Cardholder shall be liable for any damage caused to the Card due to premature activation or non-compliance with the Card activation instructions;

6.1.2. protect the physical Card from any physical damage, including copying, modification etc.;

6.1.3. not provide the Card to any third party unless the third party accepts the payment;

6.1.4. not use the Card for illegal activities, including the purchase of goods/services prohibited by applicable law;

6.1.5. immediately report any malfunctions that may affect the execution of Payment Transactions;

6.1.6. comply with all other obligations set out in these Terms and Conditions.

6.2. The Cardholder has the obligation to keep the Card and the Card Security Credentials secure. The Cardholder shall restrain from recording the Card Security Credentials on any information media which may be used by third parties to gain access to the Card or the Card Security Credentials.

6.3. If Walleto receives information that the Card is being used by third parties other than Cardholder, Walleto shall take measures to block the Card.

## **7. Validity and Blocking of Cards**

7.1. The Card is valid inclusively until the last day of the calendar month specified on the Card. As soon as the calendar month following the calendar month specified on the Card begins, the Card shall be deemed invalid.

7.2. If the Payment Account has been closed, the Card shall be considered to be expired (invalid) and, therefore, no longer valid from the moment the Payment Account was closed.

7.3. In order to verify the circumstances of the use of the Card, Walleto reserves the right to block the Card if:

- 7.3.1. the Card Security Credentials have been disclosed to persons who have no right to use the Card;
  - 7.3.2. the Payment Account is closed, fully or partially restricted;
  - 7.3.3. the Cardholder's activities during Payment Transactions may be associated with fraud or any other illegal activities;
  - 7.3.4. the Cardholder does not fulfil his/her obligations in due course;
  - 7.3.5. there are other reasons which are deemed important for blocking the Card.
- 7.4. If the reasons for blocking the Card remain, Walleto has the right to block the Card. The Cardholder shall be informed of the reasons for blocking the Card in accordance with the procedure set out in Section 7 of the General Terms and conditions.
- 7.5. The Cardholder has the right to request the Card be blocked at any time.
- 7.6. If the Cardholder enters the PIN incorrectly three times in a row, the physical Card will be blocked. In such case the Cardholder shall immediately inform Walleto or the Distributor.
- 7.7. Walleto lifts the blocking of the Card when the reasons for blocking the Card no longer exist. In the absence of the possibility to lift the blocking of the Card and at the Cardholder's request, Walleto shall issue a new Card to the Cardholder.
- 7.8. Walleto shall not be liable for any damage caused to the Cardholder or other third parties as a result of the blocking of the Card, unless otherwise provided by law.

## **8. Walleto's Rights in Relation to the Prevention of Money Laundering and Terrorist Financing**

- 8.1. Walleto has the following rights under Directive (EU) 2015/849 and implementing legislation:
- 8.1.1. to exchange information and documents about the Cardholder to ensure the prevention of money laundering and terrorist financing;
  - 8.1.2. to regularly verify the Cardholder's identity information and request the Cardholder to provide additional documents at any moment;
  - 8.1.3. to temporarily or permanently restrict the Cardholder's ability to make Payment Transactions;
  - 8.1.4. to request documents and any information related to the Cardholders activities;
  - 8.1.5. to request documents and any information regarding persons involved in the Payment Transaction;
  - 8.1.6. to request any other documents and information in the context of Walleto obligation to ensure the prevention of money laundering and terrorist financing;
  - 8.1.7. to refuse the execution of Payment Transactions if the Cardholder does not comply with the requirements for the prevention of money laundering and terrorist financing.

## **9. Liability**

- 9.1. The Cardholder and the Client shall be liable for any failure to comply with the obligations set out in the Contract and in the applicable laws.
- 9.2. Walleto shall not be held liable for the involvement of third parties in the processing of the Payment Transactions. Walleto shall not be held responsible for the refusal of third parties to accept the Card for payment for goods or services.

## **10. Commissions**

- 10.1. The Cardholder shall pay Commissions for the issuance of the Card including postal costs as described at <https://walleto.eu/pricing> or as otherwise agreed between the Parties.
- 10.2. Walleto shall debit all Commissions for the Payment Transactions from the Payment Account.

10.3. Currency exchange fees shall be specified in the Cardholder's Payment Account and the currency exchange shall be based on the exchange rates published by the International Card Organisations and valid at the time of exchange.

10.4. Walleto's decision to block the Card shall not be considered to be a termination of the Contract. Therefore, the act of blocking of the Payment Card, i.e. refusal to execute Payment Transactions, shall not exempt the Cardholder from the calculation of the Commissions for the provided Services and shall not remove the obligation to pay the calculated Commissions.

## **11. Final Provisions**

11.1. All relations between the Client, the Cardholder and Walleto shall be governed by the laws of the Republic of Lithuania.

11.2. Walleto shall have the right to disclose information about the Payment Transactions of the Cardholder to third parties who are entitled to receive such information in accordance with the law.

11.3. These Terms and Conditions may be amended or terminated in accordance with the procedure set out in Sections 9 and 10 of the General Terms and Conditions.

11.4. These Terms and Conditions shall be published on the website of Walleto at <https://walleto.eu/important-information/> and, where relevant, on the website of the Distributor.