



General Payment Service Terms and Conditions

1. General Provisions

1.1. General Payment Service Terms and Conditions (*hereinafter* referred to as “Payment Rules”) are prepared in accordance with the legislation of the Republic of Lithuania and the European Union regulating the provision of payment services.

1.2. The Payment Rules shall establish the conditions and procedure for providing payment services and related services in PANPAY.

2. Definitions

2.1. The terms used in the Payment Rules are understood as defined below, unless a different meaning arises from the context of the Payment Rules. The text of the Payment Rules also uses the terms defined in the other annexes to these Payment Rules.

2.2. **Account** – electronic money and payment account opened in PANPAY on a basis of the Agreement on behalf of the Client.

2.3. **PANPAY**– PanPay Europe UAB, legal code: 304310405 registered address: *A. Tumėno, 4 – 27, Vilnius, Lithuania* is an authorized Electronic Money PANPAY (EMI) holding EMI licence Nr.20, approved by the Board of the Bank of Lithuania on 2017-12-04 (link to the licence: http://www.lb.lt/lt/frd-licencijos/view_license?id=431); issuing and supervisory body is the Bank of Lithuania, address: Žirmūnų g. 151, Vilnius, webpage: www.lb.lt. Data about PanPay is collected and stored at the Register of Legal Entities of the Republic of Lithuania. Contact email of PANPAY – info@panpay.com.cn

2.3. **Bank of Lithuania** – a supervisory of PANPAY in the Republic of Lithuania. Address: Žirmūnų g. 151, Vilnius, Lithuania; webpage: www.lb.lt

2.4. **Business day** – means the day when PANPAY is open for business and carries on its activities necessary for executing a payment transaction.

2.5. **Commission fee** – a fee for a Payment operation and/or related services charged by PANPAY.

2.6. **Client** – means a natural or legal person who is user of PANPAY payment services as a payer and/or a payee.

2.6. **Electronic money** – money deposited/transferred to the Account on behalf of the Client for making payments (Electronic money can be named as funds).

2.7. **Payment transfer** – a payment service when money is transferred (Electronic money is redeemed) to the payment account of the Client under the initiative of the PANPAY.

2.8. **Payment order** – an order from the Payer or the Recipient (payment transfer) for the provider of payment services to execute a Payment operation.

2.9. **Payment operation** – deposit, transfer or withdrawal of money initiated by the Payer or the Recipient.

2.10. **Payer** – a natural (private) or legal person who holds an Account and submits a Payment order.

2.11. **Recipient** – a natural (private) or legal person indicated in the Payment order as the recipient of money of the payment transaction.

2.12. **Statement** – a document prepared and provided by PANPAY, which includes information about Payment operations executed during the specific period of time.

2.13. **Standing order** - the Client’s Payment order which is issued to the PANPAY for the execution of regular payments from the Account.

2.14. **Party** – PANPAY or the Client.

2.15. **Agreement** - the framework agreement, or any other agreement executed by and between PANPAY and the Client on payment services. The Payment rules shall constitute an integral part of the Agreement.

2.16. **Unique identifier** – a combination of letters, numbers and symbols which PANPAY, as the provider of payment services, provides to the Client, and which is used for identification of the Client of payment



services participating in the Payment operation and/or an account of the Client used in the Payment operation.

2.17. **Foreign state** - a state other than the Member State of the European Union and a state other than the member country of the European Economic Area (EEA).

2.18. **Member State** - the European Union Member State and the European Economic Area (EEA) member country.

2.19. **Consumer** - a natural person who, based on the Payment rules and/or Agreement, uses payment services offered by the PANPAY and is acting for purposes other than his trade, business or profession.

2.20. **Internet banking system** – means an platform for providing payment services via the PANPAY's on-line service system.

2.21. **Identification tools** - means the User's login name, registration password, Password generator or other authentication tools provided to the Client for authentication of User Identity.

2.22. **Instruction** - an Instruction issued by electronic channels to the PANPAY regarding the disposal of funds in the Account or an order related to other Account management actions or services provided by the PANPAY.

2.23. **User** - the Client or the Client's representative (natural person) specified in the Agreement, who has the right to control the Client's account by electronic channels, the details of which are specified in the special part of the Agreement.

2.24. **Password Generator** - an electronic device to generate a unique, one-time passwords that are used instead of Client's written signature for the Client identification and to confirm Users sent Instructions to the PANPAY via electronic channels.

2.25. **Electronic signature** - third-party issued secure electronic and mobile e-signature tools, which the PANPAY considers as Identification tools, that are used instead of Client's written signature for the Client and User identification and to confirm Users sent Instructions to the PANPAY via electronic channels.

2.26. **SMS code** – confirmation code sent by the SMS message to the Client's phone number specified in application form. The confirmation code is one of the means for the User's identification and to confirm Instructions sent by electronic channels to the PANPAY.

2.27. **Price-list** - means the price-list of service and transaction fees charged by the PANPAY, which is made publicly available on the PANPAY's internet website or at the customer service outlets of the PANPAY.

3. Agreements

3.1. Agreement is concluded if the Client wishes to open a payment account at PANPAY or wishes to make repeated payment transactions and PANPAY requires the opening of an Account.

3.2. Agreement is considered to be concluded when PANPAY agrees with the Client on the Account opening terms. Agreement is in written form, in English language.

3.3. The Agreement comes into force and/or relations on payment services starts after the PANPAY notifies Client about Account opening.

3.4. PANPAY has the right to decline the request to open the Account without explaining the reasons; however, the decline will be based on internal rules that PANPAY does not have to disclose.

4. Onboarding of the Client

Identification and Account opening:

4.1. For the Client to open the Account at PANPAY and to start using PANPAY services, the Client has to register on the PANPAY website (www.PanPay.com.cn), complete the online questionnaire and upload all requested documents, including but not limited to passports of ultimate beneficial owners, corporate trade registers, corporate/organizational structure charts and similar, which will be reviewed by PANPAY.



4.2. The Client and/or its representative, including Client-legal person's representative (in cases of business account opening) will be identified and verified using face-to-face or non-face-to-face application. The Client might be identified using either video and photo transmission solution to which the Client will be redirected after the online questionnaire is completed.

4.3. PANPAY shall establish the identity of a natural person on the basis of obtaining valid personal identity documents, which contain the photograph, signature, name and personal identification number of that natural person and other data.

4.4. PANPAY shall establish the identity of the Client - a natural person – based on the following personal identification documents submitted by the Client: identity card, citizen's passport, residence permit in Republic of Lithuania (temporarily or permanently). PANPAY is entitled to refuse to accept other than afore mentioned personal identity documents.

4.5. PANPAY shall have the right to refuse to accept a personal identification document from a natural person if the personal identification document has not enough of data allowing to identify and for other reasons.

4.6. The Client - legal entity – is identified by its founding governing documents, an extract from the register of legal entities which includes its name, legal entity identification code (legal person's code or other code assigned to the register of legal persons) and other legal entity's documents certifying the person and data.

4.7. PANPAY determined the identity of the management Client - legal entity's – in same way as stated in 4.1.-4.4.

4.8. PANPAY has the right to ask for additional documents and/or ask additional questions from the Client in order to open Account. PANPAY has the right to ask the Client to provide additional sources of information, including source of public information.

4.9. For the Client (legal entity) the Account can be opened by the manager of the legal entity or another authorised representative of the Client (legal entity), who has the authority specified in the legal acts and/or legal acts of the legal person. By registering the Client in the Internet banking system, the Client's representative confirms that the representative of that legal entity is duly elected or appointed, and the legal entity represented by him is properly established and operates lawfully. The Client's (legal entity) manager or his other representative must properly identify themselves in accordance with the procedures specified in the Internet banking system by submitting the documents specified in the Internet banking system and to provide documents (corporate documents and/or power of attorney and *etcetera*).

4.10. By presenting documents and information the Client confirms that all the data provided during the registration process is correct and up-to-date. During the ongoing relationship, if there are any changes in the provided data, the Client agrees to provide updated information as soon as possible.

4.11. PANPAY has the right and will demand the data and/or documents that PANPAY requires to identify the Client. The Client will be required to upload the specific data and/or documents while completing the questionnaire during the registration process.

4.12. PANPAY has the right to require the Client to provide the original documents and/or the copies of documents approved by a notary or another person authorized by the state.

4.13. PANPAY has the right to require the Client to identify the beneficiary and to submit a valid list of shareholders of his legal entity via email or Internet banking system. When submitting this list, the Client must confirm that a valid list of shareholders is relevant and accurate and that the listed shareholders control the shares on their own behalf and not on behalf of third parties (and if so, these circumstances must be indicated in addition, indicating also the third parties who are actually managing shares). If it is not possible to identify the beneficiaries of the legal entity, PANPAY has the right to decline the application and/ or to refuse to provide services.



4.14. In specific cases in order to ensure the Client identification or to perform other necessary duties, PANPAY has the right to demand the Client to complete specific procedure (e.g. *WeChat, Skype and/ or Viber video call*) indicated by PANPAY.

4.15. Client can confirm (sign) documents (e.g. agreements, consents, etc.) by electronic means.

4.16. PANPAY has the right to demand additional information and/ or documents related to the Client and/ or to the executed operations by the Client. If the Client cannot provide the requested information and/or documents PANPAY has the right to suspend/refuse to provide the service.

4.18. PANPAY has the right to and will demand the Client periodically (at least once a year) to update the Client's questionnaire and to provide all supplementing, supporting documents, data and information, including copies of the documents certified by a notary and/or translated into English language (hereinafter "Documents"), related to "know your customer" obligation and in order to comply with applicable laws:

4.19. In order to obtain updated Client's questionnaire and all relevant related supplementing, supporting documents, data and information as stated in article 4.20., PANPAY will notify and send the request to the Client and gives a time period to provide updated questionnaire and Documents.

4.20. If the Client does not provide requested questionnaire and all relevant related supplementing, supporting documents, data and information within the time period set by PANPAY, PANPAY has the right to suspend provision of all the services to the Client.

4.21. In case of suspension of services due to not provided questionnaire and Documents, after the extended time period set by PANPAY (if PANPAY deems necessary), PANPAY has the right to terminate provision of all the Services to the Client and close the Account. In this situation, PANPAY informs the Client.

5. Usage of payment services

5.1. Basic usage of Payment Services

5.1.1. The main characteristics of payment services shall be defined by this Payment rules and/or Agreement. The Client may instruct PANPAY to credit/debit funds in favour of a payee by credit transfer to the payee's payment service provider. The Client may also through the Internet banking system instruct PANPAY to regularly remit a fixed sum of money to the same account of the payee on a certain recurring date (standing order);

5.1.2. PANPAY opens the Account for the Client in the PANPAY for an indefinite period of time.

5.1.3. PANPAY allows the Client to deposit, transfer, exchange and keep funds in the Account for transfers/payments between account in PANPAY Internet banking system, local and international money transfers/ payments, as well as to receive funds to the Account. PANPAY service will only be performed if the Client has correctly registered and provided all the required information and documents. Funds in Account are considered as Electronic money, which is issued by PANPAY when the Client deposits and/ or transfers funds to the Account. When PANPAY receives the funds, PANPAY credits it to the Client's account, at the same time issuing Electronic money at the nominal value. The Electronic money is credited to and held on the Account.

5.1.4. The specific method of depositing / transferring funds to the Account is selected by the Client in the Account by choosing the "Add money" function, which contains instructions for depositing money for each mean of payment.

5.1.5. Electronic money issued by the PANPAY is not a deposit, therefore, PANPAY does not pay any interest for Electronic money held on the Account and does not provide any other benefits associated with the time period the Electronic money is stored.

5.1.6. The Client can have multiple Accounts.



5.1.7. The Client submits a request for redemption of Electronic money by generating a Payment order to transfer Electronic money from the Account to any other account specified by the Client (banks and other accounts at PANPAY Internet banking system).

5.1.8. PANPAY is not going to charge any additional fees for redemption of Electronic money, the Client pays the usual PANPAY commission fee for money transfer.

5.1.9. If the Client terminates the Agreement and applies with the request to close the Account and delete Client's Account from the Internet banking system, or PANPAY terminates the provision of PANPAY Account services to the Client and deletes the Account of the Client from the Internet banking system in cases provided in the Agreement, money held on PANPAY Client's Account shall be transferred to the Client's bank account or to the account in another electronic payment system indicated by the Client. PANPAY has the right to deduct from the repaid money the amounts that belong to PANPAY (fees for services provided by PANPAY and expenses which have not been paid by the Client, including but not limited to, fines and damages incurred by PANPAY due to a breach of the Agreement committed by the Client, which have been imposed by financial PANPAYs and /or state PANPAYs). In the event of a dispute between PANPAY and the Client, PANPAY has the right to detain money under dispute until the dispute is resolved.

5.1.10. If PANPAY does not repay the money to the Client due to reasons beyond the control of PANPAY, the Client shall be notified immediately. The Client is supposed to immediately indicate another account and / or provide addition information required to repay the money (execute a payment).

5.1.11. The Client can hold funds at PANPAY in different currencies, however, the funds in the different currency can be affected by the possible depreciation due to the changes in the exchange rates and the Client undertakes responsibility for this. The currency exchange is based on the exchange rate of PANPAY that is valid at the moment of the conversion and is constantly updated and shown on the Internet banking system.

5.1.12. Fees for the PANPAY services are deducted from the Account. In case when the amount of money at the Account is not sufficient to complete the service, the service is not executed.

5.1.13. The Client can review the Account balance, the history of executed and/ or cancelled services and information about the deducted fees for a selected period of time.

5.1.14. The Client can manage the Account and perform the services using the Internet banking system, when the Client /representative of the Client logs into the Client's account, and/ or via the Internet banking system.

5.1.15. At the Client's request, Electronic, money held on the Account shall be redeemed at their nominal value at any time, except for cases set forth in the Agreement and/Payment rules, when limitations are applied to the Account.

5.1.16. The Client submits a request for redemption of Electronic money by generating a Payment order to transfer Electronic money from the Account to any other account specified by the Client or withdraw Electronic money from Client's Account by other methods supported by PANPAY and indicated in the Internet banking system. PANPAY has the right to apply limitations for redemption of Electronic money.

5.1.17. If the Client terminates the Agreement and applies with the request to close Account or if PANPAY terminates provision of the account service to the Client in cases provided for in the Payment rules, money on the Account shall be transferred to the Client's bank account or to the account in another electronic payment system indicated by the Client. PANPAY has the right to deduct from such repaid money the amounts that belong to PANPAY (fees for services provided by PANPAY and expenses which have not been paid by the Client, including but not limited to, fines and damages incurred by PANPAY due to a breach of the Agreement and/or Payment rules committed by the Client, which have been imposed by international payment card organizations, other financial PANPAYs and/or state PANPAYs). In the event of a dispute between PANPAY and the Client, PANPAY has the right to detain money under dispute till the dispute is solved.



5.1.18. If PANPAY fails to repay the money to the Client due to reasons beyond the control of PANPAY, the Client shall be notified thereof immediately. The Client shall immediately indicate another account or provide additional information necessary to repay the money (make a payment).

5.2. **Execution of Client's** payment orders shall be subject to the following terms and conditions (*hereinafter* "conditions for execution"):

5.2.1. PANPAY shall execute a Client's payment order if the information required for execution Point 5.3 or 5.4 is in place;

5.2.2. is provided in the required manner;

5.2.3. the payment order is authorised by the Client; **and**

5.2.4. the Account has sufficient credit balance in the currency of the credit transfer order is available or sufficient credit has been granted (conditions for execution).

5.3. The Client must provide the following information in a payment transfer order (within EU/EEA countries in EUR or Other EEA Currencies):

5.3.1. Name of the payee;

5.3.2. Unique identifier of the payee; if the BIC is not known in credit transfers denominated in EEA currencies other than euro, the full name and address of the payee's payment service provider should be indicated instead;

5.3.3. Currency;

5.3.4. Amount;

5.3.5. Name of the Client;

5.3.6. Client's IBAN;

Execution periods (within EUR/EEA). PANPAY shall be obliged to ensure that amount of a payment transfer is received by the payee's payment service provider within the execution time of max. one (1) PANPAY business day, however the following requirements for SEPA must be met:

- The transferor has provided transferor's PANPAY and the payee's IBAN;

- Payee's (payment service provider) participates in the SEPA transfer scheme.

5.4. The Client must provide the following information for the execution of payment transfer order (to Non- EEA countries in the currency of a Non-EEA Country (Third Countries):

5.4.1. Name of the payee;

5.4.2. Unique identifier of the payee. If the BIC is not known in cross-border credit transfers denominated in EEA currencies other than euro, the full name and address of the payee's payment service provider should be indicated instead;

5.4.3. Country of destination;

5.4.4. Currency;

5.4.5. Amount;

5.4.6. Name of the Client;

5.4.7. Client's account number or IBAN;

Execution periods (within EUR/EEA). PANPAY shall be obliged to ensure that amount of a payment transfer is received by the payee's payment service provider and executed as soon as possible but there might be delays as payments made in other currency than EUR and to other countries than EEA might be delayed by PANPAY bank partners.

5.5. The Client must ensure the legibility, completeness and correctness of this information. Illegible, incomplete or incorrect information may lead to delays or misrouting of payment transactions. PANPAY may refuse to execute the payment order where illegible, incomplete or incorrect information is given.

5.6. PANPAY shall credit or debit funds to the Account according to the Unique identifier indicated in the Payment order received by PANPAY. If besides the Unique identifier the Payment order contains any additional information, PANPAY shall be liable only for execution of the payment transaction according to the Unique identifier provided in the payment order. When crediting or debiting funds to Account



according to the Unique identifier indicated in the Payment order received by PANPAY, PANPAY shall have the right to refrain from checking whether such Unique identifier corresponds to the account owner's name and surname / name.

5.7. PANPAY shall, when executing payment orders initiated by the Client, transfer to the payee's payment service provider the information provided in the payment order. PANPAY shall have the right to establish mandatory information that must be provided to PANPAY in order that a payment order would be duly executed.

5.8. The Client shall issue a payment order to the PANPAY, providing the information required under Point 5.3 or 5.4, via Internet banking system.

5.9. Giving consent for execution of a payment transaction and revocation of a payment transaction (authorisation):

5.9.1. The Client may give his consent for executing a payment transaction pursuant to the procedure established by PANPAY or in a form and manner agreed by the Client and PANPAY. Giving consent for execution of a payment transaction and revocation of a payment transaction agreed on PANPAY and the Client. Consent on execution of payment transactions shall be approved by a one-time SMS code provided by PANPAY or by a *mobile signature* evidencing the Client's authenticity.

5.9.2. The Client's consent to execute a payment transaction shall be provided before the point of time of execution of the payment transaction.

5.10. Receipt of Payment Orders.

5.10.1. A payment order shall become valid from the moment it is received by PANPAY. Receipt shall take place upon delivery of the order into the PANPAY designated banking online server – PANPAY Internet banking system (entered into an online banking server);

5.10.2. If the point in time of receipt of a payment order is not on a banking business day as indicated in the Price-list", the payment order shall be deemed to have been received on the following PANPAY business day;

5.10.3. If a payment order is received after the acceptance time indicated at the PANPAY Internet Bank system or in the Price-list", it shall be deemed to have been received on the following PANPAY business day.

5.11. Revocation of Payment orders.

5.11.1. Once a payment has been received by the PANPAY, the Client can no longer revoke it. Until then, the Client may revoke the payment order by making a declaration to this effect to PANPAY via PANPAY's Internet banking system.

5.11.2. If the payment transaction is initiated by the payee or via the payee, the payer may not revoke the payment order after the payment order has been sent or the payer has given his consent to execute the payment transaction. PANPAY shall not be liable if the payee provides a payment order without observing the deadlines indicated in the arrangement with the payer. Upon expiry of the terms, a payment order may be revoked only at an arrangement between the Client and PANPAY, and specifically the payee's consent shall also be required.

5.11.3. If PANPAY and the Client have agreed a certain date for the execution of a credit transfer (e.g. when the Client and PANPAY agree that the execution of a credit transfer is to commence on a certain agreed date or at the end of a certain period, the date indicated in the Standing Order or Payment Order in the PANPAY Internet banking system or otherwise agreed shall determine when the execution period commences), the Client may revoke the payment transfer order or Standing Order up to the end of the PANPAY banking business day before the agreed date.

5.11.4. PANPAY shall have the right to charge the commission fee specified in the fees and charges for the revocation of the payment order.

5.12. Refusal of Execution.



5.12.1. If the conditions for execution (see Items 5.2. are not fulfilled), PANPAY may refuse to execute the payment order. PANPAY shall inform the Client thereof without delay, but in any case within the period agreed under Section 5.3. (including all conditions set in Section 5.3.); PANPAY shall inform the Client using agreed account information channel which will be PANPAY Internet Bank system. PANPAY shall, if possible, state the reasons for the refusal to execute that payment transfer and indicate options in which errors that led to the refusal can be rectified.

5.12.2. In the case PANPAY is in position where it is clearly unable to assign a unique identifier provided by the Client to any payee, payment account or payee's payment service provider, it shall inform the Client without delay and, if necessary, return the amount of the payment transfer. PANPAY shall inform the Client as soon as identified the error and inability to assign the unique identifier, and might ask to provide additional specifications or, if necessary, return the amount of payment transfer.

5.13. Transactions using PANPAY.

5.13.1. Money transfers/ payments from the Account can be executed:

5.13.1.1. to another person on the PANPAY Internet banking system;

5.13.1.2. to accounts in banks that are connected to the SEPA (Single Euro Payment Area) payment system;

5.13.1.3. to accounts in foreign banks via SWIFT (except for banks in foreign countries that are forbidden from money transfers).

5.13.2. The list of forbidden countries includes: Bosnia and Herzegovina, Democratic People's Republic of Korea (DPRK), Ethiopia, Iran, Iraq, Laos, Syria, Uganda, Vanuatu, Yemen, Zimbabwe, South Sudan, Sudan.

5.13.3. A bank or another electronic money institution (or any other) can apply fees for transferring money from and/or to the Account to the Client's bank account or payment account of another electronic payment system.

5.13.4. If a money transfer/payment is completed in a different currency than Euros (€), then PANPAY is indicated as the Payer. The Client has an option to fill in the description part, which will be received by the Recipient.

5.13.5. In case the Payer indicates incorrect data of the Recipient and the Payment order is executed according to the data provided by the Payer (e.g. the Payer indicates a wrong account number), it shall be considered that PANPAY has fulfilled the obligations properly and shall not repay the transferred amount to the Payer. The Payer shall directly contact the person, who has received the Payment, on the issue of returning the money.

5.13.6. The Client must provide the Payment order according to the rules and instructions indicated in the Internet banking system, in order for the transaction to be executed.

5.13.7. In case the Client is the Recipient, the Client he must provide detailed and precise information to the Payer so that the Payment Order for the transaction in all cases complies with the instructions in the Internet banking system and valid at the moment of the payment operation. Before sending a Payment order for the execution of a Payment transaction or sending information to another Payer, the Client is required to check and update the instructions on filling in the account.

5.13.8. If the Client submits an incorrect Payment order and/or indicates incorrect data required for the Payment and the Payment has not been executed yet and has not left the PANPAY system, the Client may request to correct/change the Payment order. In this case, PANPAY will apply the fee for changing the Payment information.

5.13.9. If PANPAY credits funds to the wrong person due to the errors provided by the Payer in the Payment order, the Payer may send a written request to return the funds, however, the return will only be completed if the Recipient agrees to provide written agreement for the funds to be returned to the Payer. In such a case, the Payer is charged the payment cancellation fee.

5.13.10. If PANPAY receives the Payment order but funds cannot be credited due to the insufficient information or the errors in the Payment order, and neither the Payer nor the Recipient has contacted PANPAY for specification of the Payment order or the return of funds. PANPAY undertakes the following



measures (the Client will be charged specified fee for these measures) to receive an accurate information and execute the Payment order:

5.13.10.1. PANPAY contacts the Client in the PANPAY Internet banking system by sending the Client direct message to Client's account at PANPAY.

5.13.10.2. PANPAY has contacts (telephone number and email) of the Payer, which the Client provided to PANPAY. Therefore, PANPAY contacts the Client using provided contacts for the Payment order specification.

5.13.11. If PANPAY is not able to contact the Client in the following measures (explained above) to receive an accurate information and execute the Payment order, then the funds are frozen at PANPAY. Following, the Payer may send a written request to return the funds and the funds will be transferred back to Payer's Account, but then the payment cancellation fee will be charged.

6. Executing Payment operations through the Internet banking system.

6.1. PANPAY provides to the Client and/or Client's User with the opportunity to submit the instructions through electronic means of communication and thus manage the funds on the Account. Unless otherwise specified the Client or Client's User, who was representing the Client when opening Account, shall be entitled, through electronic means of communication, to manage all the Client's accounts opened with the PANPAY. It is also including the accounts which the PANPAY will open for the Client in the future. In Internet banking system the PANPAY authorize to perform operations, and to use other services provided by the PANPAY (including, but not limited the electronic signing of agreements), if the PANPAY permits such actions.

6.2. PANPAY:

6.2.1. for the fee, specified in the Pricelist, issue or change the means of Identification tools of the Client or the User, used for connection to the Account by electronic means and submission of instructions;

6.2.2. keep that the User's identity is confirmed and allow the User to use the remotely delivered electronic services if the correct User identification tool was used during the connection to the Account. Instructions, notices or other actions performed by the User by electronic means shall be separately approved using the appropriate identification tools;

6.2.3. properly execute instructions, provided by the User via electronic channels, in the terms described in Payment rules, if:

6.2.3.1. instructions to execute transactions in the Account, provided by the user via electronic channels are in accordance with conditions of the Payment rules;

6.2.3.2. the Account has sufficient funds to execute submitted instruction and debit the executed instruction fee according to the Price-list;

6.2.3.3. funds in the Account are not arrested or otherwise restricted by law to dispose the funds in the Account;

6.2.3.4. the instruction is not subject to any restrictions provided by other laws or the restrictions of Payment rules, when the PANPAY is entitled or obliged not to execute instructions to write off funds from the Account;

6.2.3.5. the Client does not exceed the transaction limit set by the PANPAY for a particular Identification tool or the Client of its own choice;

6.2.4. provide advices to the Client on issues using the Account via electronic channels.

6.3. Client's obligations:

6.3.1. to comply with the requirements of the Payment rules;

6.3.2. to ensure that with provided Identification tools to the Account remotely will connect and the Account will be used only by the Users who is authorized to use personally assigned Identification tools;



6.3.3. consider, that the User identity is confirmed and instructions, messages or other submitted actions to the PANPAY via electronic means are properly authorized and to take all such steps resulting liabilities, if at the time of remote access to the Account and given Instructions used proper User Identification tools;

6.3.4. to ensure the security of the Identification tools provided by the PANPAY, not to write the Identification tools data on the items they hold together, not to allow third parties to access and / or dispose of them. Immediately notify the PANPAY when the Identification tools is lost, when another person overtakes it or otherwise is not controlled by the User;

6.3.5. The Client undertakes to pay the transaction and service fees approved by the PANPAY for the Identification tools issuance, change, for submitted via electronic means Instructions execution, other services provided by the PANPAY, and to ensure that the Account has sufficient funds to execute the Instructions and debit the applicable fees. PANPAY shall be entitled, without a separate notice, to write off the fees payable from any Client's account opened with the PANPAY;

6.3.6. upon termination of the payment services under Payment rules and / or its termination or at the request of the PANPAY, to return the Identification tools to the PANPAY;

6.3.7. immediately inform the PANPAY if the Client's address, account numbers, mobile telephone number or other requisites present to PANPAY has changed. Failure to comply with this requirement, the Client cannot claim claims and objections that the actions of the PANPAY performed based on the latest Client information known to him or that he has not received any communications sent in accordance with those requisites.

6.4. Providing, using, modifying and blocking an Identification tool:

6.4.1. The PANPAY and the Client agree that the Identification tools provided to the User by the PANPAY are used to confirm the User's identity. If a valid User Identification tools has been used at the time of connection to the Account, it is considered that the User identity have been authenticated. Instructions, requests, messages or other actions submitted by the User via electronic means will be executed only if they are confirmed by sent SMS code, electronic signature or codes generated by the Password generator. Instructions provided via electronic means to the PANPAY, confirmed with the Identification tool, are in all cases equated to the Instructions signed by the Client to the PANPAY, and the contracts concluded by the User with the PANPAY by electronic means are in all cases equated to the contracts signed by the Client and the PANPAY.

6.4.2. User uses PANPAY electronic services accessing it via Internet banking system by connecting to the PANPAYs servers at the address indicated by the PANPAY. PANPAY identifies Client by the provided to the User username, registration password and verification passwords from the send SMS password to Users provided tel. number or Password generator or Electronic signature. The username is given to the User (sent by email) after Account opening.

6.4.3. The Client shall ensure that the Identification tools will be known only to the Users, and neither the Client nor the User will transfer them to third parties. If, due to the fault of the User, the Identification tools is used by a person who does not have such right, Instructions, cancelations or changes received by the PANPAY, shall be deemed submitted by the User.

6.4.4. If a User lost the Password generator or mobile phone, which has an electronic signature certificate, if there is a suspicion that it is unlawfully can be used by third parties, the Client or the User undertakes to promptly submit an application to the PANPAY to block the provision of electronic services. The request is presented orally, +86 21 60314480 (China), tel. +370 604 21022 (EU) we chat: [panpay](#), skype: [PanPay ClientSupport](#), upon arrival at the PANPAY, by written or via electronic means submitted application, signed by electronic signature. When submitting an application, the Client or the User must indicate his full name, personal identification number and reason for blocking the provision of electronic services. The PANPAY is entitled to require additional information to identify the person submitting the application. The PANPAY blocks the provision of electronic services on the basis of an application received.

6.4.5. The PANPAY has the right to block the provision of electronic services:



- 6.4.5.1. if the PANPAY has been notified of the loss or disclosure of the Identification tools to a third party, or there are reasonable grounds for believing that the Identification tools may become known or became known (available) to third parties;
- 6.4.5.2. if incorrect passwords from the Password generator were submitted incorrectly three times in a row prior to the use of the PANPAY's electronic services.
- 6.4.6. The blocking of the use of electronic services is canceled upon the Client's arrival at the PANPAY office and submission of a written application or by submission of an application via electronic channels signed with electronic signature. The PANPAY has the right to refuse unblocking if there is reason to believe that the reasons for blocking have not disappeared. If the use of electronic services has been blocked on the PANPAY's initiative, the blocking is only canceled if, in the opinion of the PANPAY, there is no reason for blocking anymore.
- 6.4.7. The PANPAY is not liable for the Client's losses arising from the use of electronic services blocking and unblocking if the PANPAY has acted in compliance with the conditions and procedure provided in Payment rules.
- 6.5. The Client takes full responsibility for the correctness of the agreements and validated and entered payment documents and the data contained therein using electronic means of computer communication remotely.
- 6.6. The Client takes full responsibility for all operations performed by electronic means on the Account and concluded agreements if the appropriate User Identification tools were used during the connection to the electronic services.
- 6.7. The responsibility of the PANPAY for the identification of the User shall be limited to verifying User's provided Identification tools.
- 6.8. The Client and User are prohibited from using Identification tools or allowing third parties to perform any actions aimed to altering, disrupting otherwise influencing the provision (operation) of the electronic services of the PANPAY. In the event of such modifications or attempts, the PANPAY is exempted from any liability or obligation.
- 6.9. The PANPAY accepts no material liability and is not responsible for the compliance of the Client's payment documents received by electronic means with their originals and the correctness of the data contained therein.
- 6.10. The PANPAY is not responsible for the fact that User's selected Identification tool did not work or did not function properly, because the User did not have any computer, software or other equipment or due to the failure of this equipment.
- 6.11. The PANPAY is not responsible for the fact that due to a failure in telecommunication networks the Client cannot use electronic services or due to malfunctions in telecommunication networks information was lost or distorted and so on.
- 6.12. The PANPAY to perform Client's payment order by electronic computer means that does to meet the printed statement of this order submitted by the Client, the Parties, in resolving mutual disputes, shall follow Client's payment order received by electronic means and the data characterizing it.
- 6.13. The Client or his specified User shall be jointly and severally liable for non-performance or improper performance under Payment rules. If the Client grants the right to the User to manage the Account, the User shall be obliged to perform properly all obligations committed by the Client in accordance with the Payment rules.
- 6.14. The Client must fully reimburse the losses incurred by the PANPAY related with the disclosure of the Identification tools or the loss of the Password generator, mobile telephone (with e-signature certificate), if such losses resulted from the Client's intentional or gross negligence.
- 6.15. The Client (Consumer) incurred losses up to 50 Euro before the moment of submission of the notification specified in article 6.3 of these Payment rules to the PANPAY. The PANPAY shall reimburse the Client for loss incurred after the submission of notification specified in article 6.3 of these Payment



rules. If it is proved that the loss arises due to the intentional or gross negligence of the Client, in the event of Client's non-performance or improper performance of obligations under these Payment rules, the provision on the liability of the PANPAY is not applicable.

6.16. The PANPAY is not responsible for Client's indirect losses arising from Client's use of Internet banking system.

6.17. The PANPAY is not responsible for the fact that the User was not able to access the third-party external portal due to failures of PANPAY's telecommunication network, or due to such malfunctions PANPAY's transferred User's authentication data to third party was lost or distorted.

6.18. The PANPAY is not responsible for third-party services and products and their quality, third-party's electronic systems failure; when the Client joins third-party systems or pays for third parties selling goods or services using electronic services of the PANPAY. Claims regarding third parties electronic systems, their goods and services are not examined by the PANPAY, they must be provided directly to third parties.

6.19. The Identification tools issued by the PANPAY becomes Client's property only if the Client has paid the price set by the PANPAY. Otherwise the Client must immediately return the Identification tools or pay the price set by the PANPAY, upon termination of the electronic and/or payment services.

7. Commission Fees.

7.1. In consideration for payment transactions executed and/or related services provided by PANPAY, the Client shall pay to PANPAY a Commission fee in an amount fixed by PANPAY.

7.2. By entering the Agreement and/or registering to the PANPAY services the Client confirms that he/she is fully aware of the prices and terms of PANPAY services.

7.3. Commission fees will be specified when the Client's request to open an Account at PANPAY is approved by PANPAY or otherwise agreed with a potential Client. All the fees will be in an appendix of Payment Rules and available on PANPAY website www.panpay.com.cn.

7.4. The Commission fees will be deducted from Account balance.

7.5. PANPAY has the right to charge the Commission fee from the Account of the Client where the payment operation is performed or from other Account opened for the Client at PANPAY.

7.6. The Commission fee is paid in the currency (Euros €).

7.7. The Client is responsible to ensure a sufficient amount of funds in the Clients account to pay the Commission fee. If there is an insufficient amount of funds in the required currency (Euros €) to pay the Commission fee, PANPAY has a right to exchange money in the Account in another currency to an indicated currency (Euros €) by applying PANPAY exchange rate.

7.8. PANPAY will apply exchange rates based on market rates quoted on the PANPAY Internet banking system. The exchange rates can change in real time due to the market conditions.

7.9. If Client does not have sufficient funds in any of his accounts to cover the fees, PANPAY has a right to decline the payment.

7.10. If the Client fails to pay the required fees to the PANPAY, the Client shall pay PANPAY 0.05% from the amount per day until the overdue amount is paid.

8. Rules of communication between the PANPAY and the Client.

8.1. Any and all communications, statements of account, reports, certifications, confirmations, or any other information, including the PANPAY Payment rules (*hereinafter* the 'notifications') must be made in writing (i.e. a relevant document must be drawn up), other than in cases provided by legal acts of the Republic of Lithuania and / or under agreements as well as any other documents submitted to PANPAY (applications, forms, etc.), where notifications may be provided verbally or must be notarized. Documents sent by telecommunication means or by electronic means (by i.e. via the Internet banking system) shall be deemed to be documents made in writing.



8.2. PANPAY contacts the Client on the PANPAY Internet banking system, via email or mobile phone (SMS), therefore, at all times the Client must maintain at least one valid email address and one mobile phone number in the Client's profile on the PANPAY system.

8.3. PANPAY contacts (delivers notifications) to the Client on the PANPAY Internet Banking system, via email or mobile phone or announce them publicly:

8.3.1. The PANPAY notifications shall be delivered in person via the PANPAY Internet banking platform to the Client, also, PANPAY can be delivered via other means, such as: sent by mail, e-mail or any other telecommunication means. Therefore, always the Client must maintain at least one valid email address and one mobile phone number in the Client's profile on the PANPAY Internet banking system.

8.3.2. The PANPAY public notifications shall be placed at the official PANPAY website www.panpay.com.cn.

8.3.3. PANPAY communicates in English and Chinese, therefore, PANPAY accepts communication made only in English. Communication and / or acceptance of documents, information and/ or data in any other than English language for convenience only and shall not constitute an obligation on PANPAY to conduct any further communication in that language.

8.3.6. Account shall be published on the PANPAY Internet Bank system and could be retrieved from the Internet banking system once the user logs in the Internet banking system profile. All other documentation shall be published on the official PANPAY website, published on PANPAY Internet bank system or will be sent by Email.

8.4. The Client's notifications to PANPAY shall be delivered via PANPAY Internet banking system, also, might be sent by mail, telephone and other telecommunication means, by e-mail. If the Client gives a notification verbally, the PANPAY shall have the right to record the conversation pursuant to the procedure established by laws.

8.5. Where Client gives a notification directly to the PANPAY authorized employees, they shall be handled in written, in acceptable language and in the same way as it would be using other means.

8.6. Notifications delivered by the parties shall be deemed received:

8.6.1. if a notification has been delivered verbally (including by phone) – at the time it is being told;

8.6.2. if a notification is handed in directly – on the day it is handed in;

8.6.3. if a notification is sent by mail – after a 5 (five) calendar days' period (if sent from/ received from outside the Republic of Lithuania – after a 14 (fourteen) calendar days' period) since the day of its dispatch;

8.6.4. if a notification is sent by e-mail, telephone and other means of communication – on the nearest business day in the country of the payee since its dispatch;

8.6.5. if a notification is announced via the Internet banking system – on the nearest business day in the payee's country following the day of its announcement;

8.6.6. if a notification is announced publicly – on the day of its announcement;

8.6.7. if the payee has confirmed earlier receipt of the notification than mentioned above – on the confirmed day of its receipt.

8.6.8. PANPAY notifications submitted in any of the aforementioned ways shall be considered submitted properly. Notifications by mail or SMS are sent only if the Client has not indicated Client's email address. If such notifications do not relate to material changes of conditions of the Payment rules and or Agreement, it shall be considered that the Client has received such notifications within 1 (one) business day after they have been published on the PANPAY website and sent to the Client via email or SMS. If the notification is mailed by post, it shall be considered that the Client has received it 5 (five) business days after its dispatch, except for cases when the Client actually receives the notification later than within the terms stated in the present Agreement.

8.6.9. If a notification of PANPAY relates to material changes of conditions of the Payment rules and/or agreement, the Client is informed 60 (sixty) days in advance. It shall be considered that the Client has received the notification and amendments of conditions of the Payment rules and/or Agreement comes into effect within 60 (sixty) days after the notification has been published on the PANPAY website, sent to



the Client via PANPAY Internet Bank system or by email or via any other instrument that has been indicated by the Client during registration or indicated afterwards, before that date of material changes.

8.6.10. Immaterial changes of the Payment rules and/or Agreement are style and grammar corrections, paraphrasing and moving a sentence, a clause or a section of the Payment rules and/or Agreement for the sake of better understanding, provision of examples for articles and other changes which do not reduce or limit rights of the Client and do not increase liability of the Client or aggravate Client's situation.

8.6.11. Name and surname or name of a legal person, addresses, telephone other requisite information (*hereinafter* the 'contact information'), required to be indicated when sending notifications by the parties, shall be indicated in the agreements or any other documents (applications, forms, etc.) submitted to PANPAY.

8.7. The Client must to correctly notify PANPAY regarding Clients personal data, in particular the name, address, date, birth, phone number and email address and provide prompt information to PANPAY about any changes to this end.

8.8. Contact of PANPAY which Client may contact PANPAY on the PANPAY Internet banking system is info@PanPay.com.cn or in relation to mail - regular mail at *A. Tumėno, 4 – 27 Vilnius, Lithuania*.

8.9. If the Payment rules and/or Agreement or any other documents (applications, forms, etc.) provided to PANPAY does not contain the Client's contact information, PANPAY shall have the right to give the notification according to the latest contact information indicated by the Client. If the agreement does not contain the PANPAY contact information, the Client shall have the right to give the notification according to the contact information indicated at the PANPAY website.

8.10. The Client shall notify PANPAY and, in case of amendments, immediately update the contact data (telephone number, email address and post address) on the Internet banking system, which PANPAY could use to contact the Client or Client's representatives expeditiously (within 1 business day). The Client may be asked to provide relevant documents in evidence of a change in the contact information. In case of failure to fulfil such duty, it shall be deemed that any notification sent according to the latest information indicated to the Client has been duly sent, and any obligation fulfilled based on such information has been duly fulfilled. Same rules apply to the Client in cases where PANPAY has not amended or update the contact data on the PANPAY Internet banking system or on the website.

8.11. The Parties shall immediately inform each other about any circumstances significant for execution of the Agreement and/or Payment rules. The Client shall submit documents substantiating such circumstances (e.g. changes in the name, address, email address, phone number and other contact data, changes in representatives of the Client authorized to manage funds on the Account, changes in signatures of representatives of the Client, initiation and opening of restructuring or bankruptcy proceedings against the Client, liquidation, reorganization or restructuring of the Client, etc.), regardless of whether this information is already transferred to public registers or not.

8.12. The agreement must establish that the Parties must periodically provide each other with certain notifications related to their performance under the agreement.

8.13. If the Client does not receive notifications from PANPAY that the Client had to receive from the PANPAY under the Agreement and/or Payment rules or has submitted his separate request to PANPAY in order to receive them, the Client must immediately inform PANPAY about it.

8.14. The Client must, having received a notification from PANPAY, immediately check the correctness and accuracy of the information contained in it and, having found any discrepancy, inaccuracy or mistake immediately inform the bank about it. PANPAY's notification shall be deemed approved by the Client if the Client has not submitted objections or comments to PANPAY within ten (10) working days from the receipt of the notification (unless otherwise specified in the contract or notice). The present clause shall not be applied to the PANPAY notifications that according to their purport, the Agreement and/or Payment rules or legal acts of the Republic of need not be checked and / or approved by the Client.



8.15. In order to protect money of the Client from possible illegal actions of third persons, the Client shall also immediately inform PANPAY about theft or other loss of the personal identity document of the representative of the Client.

8.16. The Client Immediately inform PANPAY regarding a loss or theft of authentication instrument, personalised safety features or a misuse or unauthorised use of the same.

8.17. Notifications sent by PANPAY to the Client cannot be deemed to be the PANPAY to the Client to execute the agreement or use any services, except cases where the PANPAY notification clearly states that exactly such offer is being made.

8.18. The Payment Rules and the Commission fees and charges shall be announced in the English language. The Account shall be executed in the English language. At the Client's request and at the PANPAY consent, agreements and other documents may be executed in the requested language. PANPAY will to request the Client to compensate the costs for translation of the documents into a foreign language.

8.19. The Client confirms that he is duly informed and accepts the potential risk of disclosure of confidential information to third parties, which may arise from sending or submitting notifications, notices or any other information via e-mail or telephone.

9. Amendments to the Agreement and/or Payment rules

9.1. PANPAY has the right to unilaterally amend (change) the Payment rules and/or Agreement, an agreement concluded with the Client or the fees and charges by following the notification procedure set forth in the section 8 of the Payment rules thereof and after having informed the Client; PANPAY shall inform the Client of any material changes of conditions to the agreement, the payment service rules or the fees and charges no later than sixty (60) business days before the day on which the amendments will take effect. PANPAY might not notify the Client following the said sixty (60) business days if PANPAY is amending rules which improve Client's position (i.e. decreased fees). In such a case, PANPAY shall notify the Client and the amendment comes into the effect from the date included in the notification.

9.2. PANPAY has the right to unilaterally amend and/or supplement conditions of the Payment rules by following the notification procedure set forth in the section 8 of the present Payment rules.

9.3. The Client has no right to change and/or amend conditions of the Payment rules unilaterally.

9.4. If the Client does not agree with the changes, the Client shall contact PANPAY for further discussions. In this context, the Client has the right to immediately and without no commission fee to terminate the Payment Rules until the day the amendments begin to apply expressing a disagreement with the changes. The disagreement shall be provided via Internet Banking platform. If the Client does not agree with the changes, PANPAY has the right to suspend the Client's account.

9.5. If the Client does not agree to amendments or supplements of the Payment Rules, the Client has the right to refuse from provision of PANPAY services and terminate the Agreement notifying PANPAY thereof 30 (thirty) days in advance.

9.6. The use of PANPAY services by the Client after amendment or supplementation of conditions of the Agreement shall mean Client's consent to amendments or supplements of the conditions of the Agreement.

9.7. Supplements to the Payment Rules are amended according to the procedure laid down in the respective Supplement. If no amendment procedure is laid down in the Supplement, the procedure of amendments and notification about amendments provided in this Payment Rules shall apply.

9.8. Public announcement shall be deemed to be information on a unilateral amendment to the any agreement and / or the payment service rules and / or the fees and charges duly given (in writing) to the Client. PANPAY shall upload amended version of Payment Rules as well as inform Clients with notification on their website.



9.9. It shall be deemed that the Client agrees with such amendments, if before the effective date of the amendments he gives no notification to the provider of payment services of his disagreement with such amendments.

9.10. PANPAY shall give notice to the Client on the PANPAY Internet banking system or via email or via telephone (SMS) regarding changes in the General Rules (which is an integral part of the Agreement) an agreement concluded with the Client.

9.11. If the Client does not agree with the changes, the Client has the right to immediately and without no commission fee to terminate the Payment Rules until the day the amendments begin to apply expressing a disagreement with the changes. The disagreement shall be provided via Internet Banking platform. If the Client does not agree with the changes, PANPAY has the right to suspend the Client's account.

10. Security and rectifying measures. Obligations of the Client related with Identification tools

10.1. The Client must immediately notify PANPAY in writing of his personal identification document theft or loss in any other manner. Said requirement is set with the aim to secure the Client's funds from any possible illegal third-party actions. Obligations of the Client related with Identification tools.

10.2. The Client authorised to use a Identification tools must:

10.2.1. use the Identification tools in observance of conditions regulating the issuance and use of the Identification tools as specified in the Payment Rules;

10.2.2. having found out that the Identification tools has been stolen or lost in any other matter, suspecting or obtaining information about illegal acquisition of the Identification tools or unauthorised use thereof as well as about the facts or suspicions that personalised security features of the Identification tools have become known or might be used by third persons, promptly notify the PANPAY;

10.2.3. Client having received the Identification tools must promptly take all actions to safeguard personalised security features of the received Identification tools and maintain secrecy concerning personalised security features and safely store Identification tools.

10.2.4. The Client entitled to use the Identification tools must adhere to the terms and conditions specified under Item 10.1. of the present Payment rules.

10.2.5. Having been issued the Identification tools, the Client must adhere to the terms and conditions established under Item 10.2. of the present rules.

10.3. Blocking of Account and Identification tools

PANPAY shall have the right to block the Account (i.e. fully or partially terminate the Payment transactions in the Account):

10.3.1. due to objectively justified reasons related with the security of funds available in the Account, suspected unauthorised or fraudulent or unfair use of the funds available in the Account;

10.3.2. if PANPAY provided with controversial information about persons empowered to represent the Client;

10.3.3. if PANPAY finds out that the Identification tools has been stolen or lost in any other matter, suspect or obtains information about illegal acquisition of the Identification tools or unauthorised use thereof as well as about the facts or suspicions that personalised security features of the Identification tools have become known or might be used by third persons, or if PANPAY has reasonable suspicions that funds available in the Account and/or the Identification tools may be illegally used by third persons or that the Account and/or the Identification tools might be or has been used for illegal activities;

10.3.4. If due to further provision of services and activity of the Client justified interests of third parties can be harmed fundamentally;

10.3.5. if activities carried out by the Client using Account can harm PANPAY business reputation;

10.3.6. in cases provided for by legal acts of the Republic of Lithuania, Payment rules.



10.4. In cases provided for in Item 10.2. (10.2.1-6.) of the Rules, PANPAY shall notify the Client in the manner specified in Payment rules or in any other manner acceptable to the PANPAY (e.g., by phone, e-mail, Internet Banking System) about the blocking of the Account and/or Identification tools and the reasons of such blocking, doing its best to notify the Client before the blocking and no later than immediately after the blocking, except in cases when the provision of such information would impair the safeguards or is prohibited by virtue of legal acts.

10.5. The Account and/or the Identification tools shall be blocked at the Client's initiative if the Client submits a respective request to PANPAY in written. A written response should be submitted via PANPAY Internet Bank system, email or by orally (by phone). PANPAY shall have the right to require that the Client's oral request to block the Account is subsequently later confirmed in written or in any other manner acceptable to PANPAY. If the Client's request to block the Account is given to PANPAY orally, PANPAY for the purpose of identification of the person submitting such request shall have the right to ask him questions about the Client's details available to PANPAY. If PANPAY has reasonable doubts that the aforementioned request was submitted not by the Client, PANPAY shall be entitled to refuse to block the Account and/or the Identification tools. In such cases PANPAY shall not be held liable for losses which might arise from non-fulfilment of the aforementioned request.

10.6. If the Account and / or Identification tools were blocked at the Client's initiative, PANPAY may unblock it only upon receipt of the Client's request in writing, unless otherwise agreed. PANPAY shall have the right to replace the blocked Identification tools with a new one when reasons for blocking the Account and / or the Identification tools cease to exist;

10.7. PANPAY shall not be liable for the Client's losses, sustained due to blocking the Account and / or the Identification tools, and shall not pay the default interest, if such blocking was made pursuant to the procedure established by the Payment rules and at the conditions defined in the Payment Rules.

10.8. Payment transaction shall be deemed authorised only after the Client has given his consent to execute it. The form and procedure for giving such consent defined in the Payment rules. The Client may authorise the payment transaction either before or after its execution, if the Client and PANPAY have so agreed. If the above-referred consent is not available, it shall be deemed that the payment transaction has not been authorised.

11. Notifications of the Customer of unauthorised or incorrectly executed Payment transactions.

11.1. The Client must at least once a month check the information about Payment transactions and operations executed in the Account. The fact that the Client did not request the sending of the Statement to him does not exempt the Client from the discharge of this obligation.

11.2. The Client must notify PANPAY of unauthorised or incorrectly executed Payment transactions and operations as well as about any other mistakes, inconsistencies or irregularities in the Statement. The notification must be submitted immediately (within 5 (five) business days of finding out about the circumstances mentioned in this paragraph) and in any case no later than within 60 (sixty) calendar days of the day on which PANPAY, in the opinion of the Client, executed an unauthorised Payment transaction or incorrectly executed a Payment transaction. If during the indicated period of time the Client does not submit indicated notifications, it is considered that the Client has unconditionally agreed to the Payment operations carried out on the Account. The Client shall submit to PANPAY any information about illegal logins to the Account or other illegal actions related to the Account, and undertake all reasonable measures indicated by PANPAY with the aim to initiate an investigation into the illegal actions.

11.3. If the Client is a Consumer, he/she must promptly notify PANPAY in written of unauthorised or incorrectly executed Payment transactions in the Home Member State's currency to the Home Member State (within the time limit established in Item 11.2. of the Payment Rules) and in any case no later than within 13 (thirteen) months of the day of debiting the funds from the Account. These time limits shall not apply in those cases when PANPAY has not notified the Client of such unauthorised or incorrectly executed



Payment transaction or did not provide conditions to get familiarised with it in observance of the procedure established in the Payment Rules. If the Client is not a Consumer and/or the Payment transaction is executed in the Home Member State's currency to the Host Member State or in the currency of the Host Member State, the Client must notify PANPAY in written of unauthorised or incorrectly executed Payment transactions within the time limit established in Item 11.2. of the Payment Rules. The Client's failure to notify the PANPAY of unauthorised or incorrectly executed Payment transactions within the time limits established in Item 11.2. of the Payment Rules shall be deemed as his unconditional authorisation of the Payment transactions executed in the Account.

11.4. The Client bears all the losses that have arisen due to unauthorized Payment operations if these losses have been incurred due to: usage of a lost or stolen Identification tools; illegal acquisition of an Identification tools if the Client has not protected personalized security features.

11.5. The Client bears all losses incurred due to unauthorized Payment operations if the Client has incurred them acting dishonestly, due to Client's gross negligence or by intentionally not fulfilling one or several of the below indicated duties of the Client:

11.5.1. when using the Identification tools, to comply with the rules regulating issuance and usage of the Identification tools provided in the present Payment rules or its supplements;

11.5.2. if the Client finds out about loss, theft, illegal acquisition or unauthorized usage of the Identification tools, and about facts and suspicions that personalized security features of Client's Identification tools have become known to or can be used by third persons, the Client shall notify PANPAY or the subject indicated by PANPAY immediately, with compliance with the rules regulating issuance and usage of the Identification tools provided in the present Payment rules and its supplements;

11.5.3. after receiving the Identification tools, to undertake measures to protect personalized security features of the Identification tools.

12. Force majeure.

12.1. PANPAY and the Client shall not be held liable for the default on, or inadequate discharge of, or for any failure to comply with the Agreement, the obligations if such default or inadequate discharge was caused by *force majeure* (e.g. to acts of God, war, warlike conditions blockade, embargoes, riots, governmental restriction, labour disturbances, wrecks, epidemics, quarantine, fire, flood, earthquake, explosion, any unforeseen change in circumstances, or any other causes beyond its reasonable control);

12.2. The Client shall notify PANPAY about the force majeure on the PANPAY Internet Banking system, via email or in writing within ten calendar days after the day of occurrence of such circumstances.

12.3. PANPAY shall notify the Client about force majeure circumstances on the PANPAY Internet banking platform or via email.

13. Mistakes.

13.1. The Client who notices that the funds that do not belong to him have been transferred to his Electronic Money and Payment Account must immediately notify PANPAY to the effect. In such cases the Client, as unauthorised beneficiary of transferred funds of the Payment Transaction, shall be deprived of the right to dispose of the transferred funds and must forthwith remit such funds to the Electronic Money and Payment Account designated by PANPAY.

13.2. PANPAY shall have the right to debit the amounts incorrectly credited to the Electronic Money and Payment Account through its own fault without a separate consent of the Client, as unauthorised beneficiary of transferred funds of the Payment Transaction and remit such funds to their due beneficiary.

13.3. If funds available in the Electronic Money and Payment Account are already insufficient for the debit of incorrectly credited funds, the Client must repay the respective amount of funds to the account designated by PANPAY within 3 (three) Bank Business Days of the PANPAY request.



14. Client's disputes with PANPAY.

14.1. PANPAY aims to settle all disputes with the Client amicably, promptly and on terms acceptable to Parties and by the way on negotiation between Parties. If a dispute occurs, the other Party is encouraged to address PANPAY directly.

14.2. The Client may submit any claim and/ or complaint regarding services of PANPAY by sending a full explanation of the claim and/ or complaint on the PANPAY Internet banking system or via email.

14.3. Client requests/complaints regarding the PANPAY's actions whereby the PANPAY may have infringed the requirements of laws or agreements that regulate providing of services and/or the Client's legitimate interests shall be considered by the PANPAY.

14.4. The PANPAY will consider the Client's written complaint and respond to the Client in writing within thirty days (30), except when legal acts or other PANPAY binding acts related to provision of services establish a different time limit. If PANPAY cannot answer to the claim and/ or complaint within the specified time period, PANPAY shall inform the Client about the reasons that caused a delay and indicate the time period in which the answer shall be provided.

14.5. Client complaints shall be analysed by the PANPAY free of charge.

14.6. If the PANPAY's response to the Client's complaint does not satisfy the Client or no answer has been provided thereto, the Client shall have the right to turn to the court in accordance with the procedures established by the law.

14.7. In case of failure to settle a dispute amicably or in other extrajudicial methods of dispute resolution, the dispute shall be settled by the courts according to the procedures established by the law of the Republic of Lithuania.

15. Termination of the Agreement and/or provision of services.

15.1. The Payment rules and/or the Agreement and/or other agreements concluded between the Client and PANPAY can be terminated on the basis on the agreement between Parties.

15.2. The Payment rules and the Agreement and/or other agreements concluded between the Client and PANPAY can be terminated unilaterally by each.

15.2.1. The Client has the right to terminate Payment rules and/or Agreement unilaterally without appealing to the court, notifying PANPAY thereof in writing (30) thirty calendar days in advance. If the Client terminates the Payment rules and agreement, PANPAY will return the issued electronic money to the Client's chosen account in accordance to the rules specified in the Payment rules. The Client must notify and/or make an enquiry day in advance on the PANPAY Internet banking system or via email;

15.2.2. PANPAY has the right to terminate the provision of Account services or other agreement concluded for an unlimited period upon giving a relevant notification no less than 60 (sixty) calendar days before the date of termination of the Electronic Money and Payment Account agreement, unless otherwise established by law. PANPAY must notify the Client (60) sixty days in advance on the PANPAY Internet banking system or via email.

15.3. In case of termination of the Electronic Money and Payment Account agreement, PANPAY deducts from the Electronic Money and Payment of the Client money amounts, payable for PANPAY Services provided to the Client, also fines, forfeits, losses and other amounts paid to third parties or the state, which PANPAY has incurred due to the fault of the Client. In case the amount of money on PANPAY Electronic Money and Payment Account (or Accounts) of the Client is insufficient, the Client undertakes to transfer provided amounts to the account of PANPAY within 3 (three) business days covering all amounts indicated in the present clause. In case PANPAY regains a part of amounts paid to third parties, PANPAY undertakes to return the regained amounts to the Client immediately.

15.4. In case the Client does not choose a mean for electronic money after terminating the Agreement between PANPAY and the Client, PANPAY may (but is not obligated to) redeem the Electronic Money of the Client by the mean of Electronic Money redemption which is available at the moment of redemption.



15.5. Termination of the Payment rules and/or account agreement and/or other agreements does not exempt the Client from appropriate execution of all responsibilities to PANPAY which have arisen till the termination.

16. Confidentiality and Personal Data Protection

16.1. PANPAY processes confidential and personal data of the Client in accordance to the rules specified in the Privacy policy, which is published in the PANPAY website <http://www.panpay.com.cn/en/PrivacyPolicy.html>.

17. Final Provisions

17.1. The Payment rules is between the Client and PANPAY, therefore, no other person shall have any rights to enforce any of its terms. Neither PANPAY, nor the Client will need to get the agreement any other person in order to end or make any changes to these Payment Rules.

17.2. These Payment Rules and the concluded agreement on payment services shall be governed by and interpreted in accordance with the laws of the Republic of Lithuania. Agreements and Payment rules shall be made in English language.

17.3. In case any part of these Payment rules is found by a court of competent jurisdiction to be invalid, unlawful or unenforceable then such part shall be severed from the remainder of the Payment rules, which shall continue to be valid and enforceable to the fullest extent permitted by the law.

17.4. The Payment rules and/or Agreement between the Client and PANPAY is governed by Lithuanian Law. Any dispute between the Client and PANPAY in connection with the Client's PANPAY the Payment rules may be brought in the courts of Republic of Lithuania.

17.5. Titles of sections and articles of the Payment rules are intended solely for convenience of the Parties and cannot be used for interpretation of the provision of the present the Payment rules.

17.6. The parties are independently liable to the state and other subjects for fulfilment of all tax obligations. PANPAY shall not be liable for execution of tax obligations of the Client, calculation or transferring of taxes applied to the client.

17.7. PANPAY in all cases acts as an independent Party of the Payment rules that shall not control or undertake for products and services, which are paid for using PANPAY services. PANPAY does not undertake liability that the buyer, seller or another party will fulfil the terms of bargain clinched with the Client.

17.8. The Client does not have the right to assign Client's rights and obligations arising out of Payment rules and/or Agreement to third parties without a prior written consent from PANPAY. PANPAY reserves the right to assign its rights and obligations arising out of Payment rules and/or Agreement to third parties at any time without a consent from the Client if such transfer of rights and obligations does not contradict the legislations.

17.9. If any provision of these Payment Rules becomes invalid, the other provisions of Payment rules remains in force.
