

Service Agreement

Version 3

Effective from 12.09.2022

1. GENERAL INFORMATION

- 1.1. Please read this Service Agreement carefully before you start using our services, as it includes the terms and conditions we provide.
- 1.2. This Service Agreement comes into force and becomes valid after you have registered in our system and electronically expressed consent to comply with the terms and conditions of the present Service Agreement and related policies and adhere to them.
- 1.3. Headings are included for convenience only and do not affect the interpretation of the Service Agreement. Some capitalised and non-capitalised terms used in this Service Agreement we provided in **Appendix 1 - Definitions**. Any term used in this Service Agreement and not otherwise interpreted has the meaning attributed to it in the Republic of Lithuania Law on Payments and the Republic of Lithuania Law on Electronic Money and Electronic Money Institutions. The singular includes the plural and vice versa.
- 1.4. These terms and conditions, along with the [Pricelist, Privacy Notice, Cookie Policy and Complaints Policy](#) and any other additional conditions for specific Services, also apply to your use of our services and form a Service Agreement between:
 - UAB NEOCARD (“Neocard”, “we”, “our”, “us”), a company incorporated in Lithuania under the number 302948868, with its registered office at Topoliu str. 24A-2, Nemezio village, Vilnius district, LT-13262, Lithuania, represented by Director Albert Nahorny. We act as the Electronic Money Institution licensed in the Republic of Lithuania (license No. 31 issued on March 29, 2018). Our licensing and supervision institution is the Bank of Lithuania, located at Gedimino ave. 6, LT-01103, Vilnius, Lithuania. You can find information about the Bank of Lithuania at <https://www.lb.lt/en/>. If you want to contact us, the address for correspondence is Topoliu str. 24A-2, Nemezio village, Vilnius district, LT-13262, Lithuania, and email is info@neocard.com; and
 - You, who want to use our services and completed all relevant Neocard account and card opening steps for this purpose as described in this Service Agreement.
- 1.5. This Service Agreement is provided to you and concluded in English. We will also contact you in English if we need to contact you. Please make sure that you fully understand the contents of this Service Agreement. If you have any questions about these terms and conditions, contact us by email at support@neocard.com or get in touch via Neocard App or Neoweb banking solution. If you do not agree with any parts of the Service Agreement, you must notify us, and you may not use the services offered by us nor continue with the process of using services.
- 1.6. You agree that any use of our services constitutes your confirmation that you read and accept the terms and conditions of this Service Agreement and other legal terms and legally required disclosures.
- 1.7. The most recent version of this Service Agreement is available on our website on the “Legal documents” page, and you can always download the most recent Service Agreement.

2. SERVICES WE PROVIDE

- 2.1. Under this Service Agreement, we supply, and you can use the following services:

- open your personal IBAN account and manage it;
- purchase and redeem e-money;
- send payments to and receive payments from other Neocard accounts and non-Neocard accounts (by SEPA payments);
- order a NeoCard, make purchases, and withdraw funds.

3. USE OF OUR SERVICES

3.1. By accepting this Service Agreement, you confirm that:

- you're a resident of any of the countries listed on our application form;
- you're 18 years old or over,
- you have a total legal capacity to enter into the Service Agreement under applicable laws in your country, and your use of our services does not violate any laws applicable to you,
- you have read and understood these terms and conditions, our Pricelist, Privacy Notice, Cookie Policy, and Complaints Policy,
- if you are applying on behalf of a legal entity, you must have the authority to bind the legal entity on whose behalf you use and/or access our services, and that legal entity accepts the terms and conditions of this Service Agreement,
- you're not opening an account or NeoCard on someone else's behalf,
- incoming/outgoing funds in your account are not obtained as a result of criminal activity,
- you will not use our services for any illegal purposes, including actions and transactions to legalise funds derived from criminal or other unlawful activities,
- you understand and agree that your account is not insured and that you are not eligible, to nor will we or our third parties, pay you any interest on the balance on your account,
- you are informed and accepted that your balance amount does not fall within the regulatory scope of the Republic of Lithuania Law on the insurance of deposits,
- all of the information provided by you to us in connection with the Service Agreement is true, accurate, and not misleading.

3.2. You will not be able to use our services if:

- there is any reason that we are unable to grant you the services under the applicable laws or risk criteria that applies to us;
- you do not meet risk tolerance criteria determined by us;
- you conduct an activity restricted or unacceptable by us;
- we have reasonable grounds to believe that you use our services in a non-compliant or misleading manner;
- you miss the deadline for the provision of the information specified by us or fail the process of identification and due diligence;
- we determine that your account/NeoCard is being used by anyone other than you.

4. FEES WE CHARGE

4.1. Pricelist

- 4.1.1. Our Pricelist sets out fees that we charge related to our standard services. This Pricelist forms an integral part of this Service Agreement; you can access it here. You acknowledge and understand that you must read and recognise fees before using our services.
- 4.1.2. We could charge individual fees for non-standard services not defined in our Pricelist or which can be agreed upon between you and us individually. In such cases, we will provide you with information on such fees for your confirmation.

4.2. Fees deduction

- 4.2.1. Our fees, by default, are deducted in EUR.
- 4.2.2. You agree that we are authorised to deduct our fees, any applicable reversal amounts, and/or other charges you owe us from your Neocard account where sufficient funds are held. If your account(s) balance is insufficient or becomes negative, we reserve the right to invoice you for any deficient amount, which must be payable within 10 (ten) calendar days of the date of the invoice. In the event of non-performance or your failure to respond to any extension of the deadline, we reserve the right to terminate this Service Agreement immediately upon written notice to you.
- 4.2.3. We may deduct fees and the amounts from the funds you receive into your Neocard account or the funds you attempt to withdraw or send from your account. A fee payable by you for a specific service we will deduct in one of the following ways:
 - on the monthly basis;
 - when performing the transaction;
 - directly from your account at any time if a fee shall be deducted after completing the specific service.
- 4.2.4. You must have sufficient funds on your Neocard account for the deduction of a fee before you perform any transaction, and such fee will be indicated to you before the execution of the transaction (unless otherwise stated in the rules of our particular payment instrument or service). If there are insufficient funds for transaction execution and payment of a fee during the transaction performance, we will refuse the transaction.
- 4.2.5. We will refund you the fee you paid as the result of the transaction failure or inappropriate execution. In other cases, we will not reimburse your paid fee.
- 4.2.6. Fees for currency conversion and/or specific transactions will be made available to you before processing your transfer order and deducted at the execution of that transaction.

4.3. Changes in the Pricelist

- 4.3.1. If we reduce our fees or introduce new services, the new Pricelist prices will be applied immediately upon its publication here and without 2 (two) months' previous notice.
- 4.3.2. If we change the fees in another way, we will notify you accordingly of our communication procedures mentioned in Section "Changes in the Service Agreement."

4.4. Taxes

- 4.4.1. Our Fees are quoted exclusive of the taxes. You are responsible for any taxes and other mandatory payments that may apply to your received or made transaction, which you need to report and pay to the appropriate tax authority.
- 4.4.2. We are solely responsible for the performance of all our tax liabilities.

5. RESTRICTED ACTIVITIES

5.1. During the using our services, you must not:

- use the services for unlawful purposes, including but not limited to fraud, money laundering, terrorist financing, purchase or sale of unlawful and counterfeit products and services, using services from the jurisdiction which is not acceptable to us, and transfer and/or receiving money earned as a result of activities contradicting applicable laws and contracts;
- use the services to enable any person to benefit from any activities that we have identified as restricted, including using the service in or for the benefit of a country, organisation, entity, or person embargoed or sanctioned by any government or international organisation;
- use our services in a manner that may result in abuse of violation of Mastercard rules or other bank/payment services provider's reversal process;
- obtain a cash advance from a NeoCard (or assist others to do so);
- have a negative balance on any of your account(s);
- use the services in the way causing to the third party losses, liability, or other adverse legal consequences to other third parties or us;
- disclose to the third person your personal and identity authentication data, or allow another person to use your account and NeoCard on its behalf;
- provide incorrect, false, misleading, or inaccurate information;
- refuse the submission of information reasonably requested by us in connection with the usage of our services we may receive under any applicable laws;
- refuse the cooperation with us in investigating your background, activity, transactions, and breaches/violations of the Service Agreement or legislation;
- disturb or facilitate the spreading of computer viruses and conduct any other activities which could or harm our system and its proper operation, cause Neocard system malfunctions, damage or destroy the information or result in any other damage to systems, equipment, or information of us or any third parties;
- tamper, hack, modify, damage, interfere with, or otherwise corrupt the security or functionality of our services, or attempt to do so;
- infringe our and third-party rights related to the trademarks, copyrights, commercial secrets, and other intellectual property rights.

6. OPENING AN ACCOUNT

6.1. General

- 6.1.1. To start using our services, you must register an application in our system and provide your details as prompted. Once you are accepted and authorised by us, we will provide you with a Neocard account.
- 6.1.2. We have no obligation to accept any client and have the legal right to dismiss your application for our services without specifying any reasons. However, you can be sure that such rejection will always be justified by substantive reasons and under non-discriminatory conditions, which we may or may not disclose.
- 6.1.3. You can't open a new account or NeoCard if we've previously closed it for the cause.

6.2. Application filing

- 6.2.1. You can submit your application on the Neocard App. We will deal with your data responsibly; therefore, Neocard App allows you to conduct a more convenient application filing. Furthermore, you have nothing to worry about; our system will outline the steps you need to take when submitting your data.
- 6.2.2. By entering the necessary details, you should confirm that you have provided the correct data, and if there is a need to change or add data, you have to submit the correct data only.
- 6.2.3. You must update personal information (including changes in name, surname, signature, address, email, phone number, other contact data, or data/persons who have the right to manage funds in the account, initiation of bankruptcy proceedings against you, etc.) immediately, and no later than 7 (seven) calendar days from the day of the change, and submit us the appropriate documentation proving the change.

6.3. Necessary checks

- 6.3.1. We are required by law to carry out all necessary security, verification, client due diligence and activity checks to provide any services to you or receive important information essential for the proper provision of our services. We have the right to request checks at any time at our discretion, and you agree to perform such procedures.
- 6.3.2. We adapt the necessary verifications for each client, so you may need to provide additional information. If so, such requested information you provide at your own expense in a language and format acceptable to us. This information must be correct, accurate, and truthful at all times.
- 6.3.3. We may ask you (including ordering other services) at any time to confirm the accuracy of your information or provide additional supporting documents (including but not limited to identity, sources of funds used, activities, purposes of transactions executed). The list of such documents will be communicated to you by us.
- 6.3.4. You agree that we may make any necessary inquiries to validate and verify the information you provided (including personal data) directly or through any third party. You agree to us apply reasonable discretion in using and sharing relevant personal data to conduct identity and verification checks. Records of such inquiries may be left on your files with such third-party and also held by us.

6.4. About your Neocard account

- 6.4.1. Your Account is open for an indefinite period.
- 6.4.2. Your account allows you to deposit and hold funds intended to send or receive transfers, pay for goods and services, and perform other transactions. Funds held in your account are considered e-money, which we credit to your account while issuing e-money at the nominal value after we receive money transfers or deposits to your account. These two values are equal.
- 6.4.3. An e-money account is not a bank account, and we do not act as a trustee, fiduciary, or escrow holder regarding your account balance. Therefore, the balance amount does not fall within the regulatory scope of the Republic of Lithuania Law on Insurance of Deposits and Liabilities to Investors. However, we must legally keep your funds in segregated accounts with an authorised credit institution. And we keep them in a safeguarding account(s), which means that all your funds are protected under applicable laws and will be returned to you in full if we decide to cease operations or become insolvent.
- 6.4.4. The e-money held in your account:
 - is issued in accordance with the Republic of Lithuania Law on Payments and the Republic of Lithuania Law on Electronic Money and Electronic Money,

- does not constitute a deposit, and we will not, in any circumstances, provide any benefits associated with their storing in the account and pay you any interest on your balance,
- is considered as yours or a legal entity which owns funds and should not be used by any other person or legal entity,
- may be accepted, held, and transferred in any currency we support,
- linked to a unique IBAN like in the case with banks,
- could be withdrawn at any time subject to certain conditions mentioned below this Service Agreement.

6.5. Type of accounts

- 6.5.1. We offer accounts for personal use – Private Accounts and business use - Corporate Accounts. You shall sign up through a duly authorised representative if you are a legal entity.
- 6.5.2. You can open and hold multiple accounts (if a particular condition applies) on your profile and use them at your discretion. We may refuse the creation of duplicate accounts for the same profile.
- 6.5.3. At least one your Private Account must be opened with the linked NeoCard.

7. ORDERING A NEOCARD

7.1. NeoCard issuance

- 7.1.1. You can apply for a NeoCard if you successfully passed the procedure of determining and verifying your identity. If you want to use a NeoCard account for business purposes, this Service Agreement will not apply. Currently, we are not issuing cards for legal entities.
- 7.1.2. The NeoCard could be a plastic and virtual form, where you can only see your NeoCard details in the Neocard App and/or Neoweb banking solution.
- 7.1.3. To order a NeoCard, click relevant fields during the application and enter the NeoCard delivery address.
- 7.1.4. The NeoCard is not transferable to another person and could not be ordered for someone else.
- 7.1.5. We reserve the right to refuse to issue you a NeoCard at our sole discretion.

7.2. Fees

- 7.2.1. Fees and expenses related to the issuance and use of the NeoCard are stated [here](#).
- 7.2.2. We will automatically deduct NeoCard issuance and delivery fees when you order, and a monthly NeoCard maintenance fee is deducted at the moment of activation of the Neocard (if applicable).

7.3. NeoCard delivery

- 7.3.1. NeoCard delivery usually takes up to one week. Delay may occur in some cases depending on the shortage/availability of the raw materials necessary to prepare the NeoCard.
- 7.3.2. You will receive your NeoCard via mail to the indicated address. You shall inform us if you do not receive the NeoCard in one calendar month. If the analysis of the situation detects that you did not receive the NeoCard through no fault of your own, we will permanently block the already sent NeoCard and send you a new NeoCard free of charge.
- 7.3.3. In case the NeoCard pack is damaged, or there are any suspicions that the NeoCard may have been extracted from the package, you must not activate the received NeoCard and must inform us.

7.4. NeoCard activation

- 7.4.1. Delivered NeoCards are not activated. You need to activate your NeoCard before starting to use it, either through the Neoweb banking solution or the Neocard App, following all security procedures and standards prescribed by us.
- 7.4.2. As soon as you receive your physical NeoCard, you must sign the signature strip on the back.

7.5. NeoCard expiry

- 7.5.1. Your Card is valid for the period stated on the face of the NeoCard unless its use is cancelled earlier by you or us under this Service Agreement. You can't use your NeoCard for transactions or withdrawals after its expiry date.
- 7.5.2. Upon expiration of the NeoCard's validity, we will issue a new NeoCard to you automatically and send it to your address indicated by your profile. If you wish to receive it to another address, please inform us in the Neocard App or Neoweb banking solution using a messaging function not later than 30 (thirty) calendar days before the NeoCard expiration date.
- 7.5.3. We have a right to issue a new NeoCard even before the expiration of the existing NeoCard due to updating the NeoCard's security mechanisms, implementing new technologies standards, or conditioning by other business reasons. If such happens, we will notify you about the NeoCard validation and on which date the new NeoCard will replace the existing one.
- 7.5.4. The fee for issuing a new NeoCard after expiration is indicated in the Pricelist published [here](#).

8. USE OF YOUR ACCOUNT

8.1. Login and authorisation

- 8.1.1. You can access and manage your account:
 - via Neoweb banking solution (website) by logging and entering your identity authentication data;
 - via our Neocard App by entering your identity authentication data after downloading it and performing the necessary steps to launch it.
- 8.1.2. Your authorised representative having appropriate powers could be allowed to use and operate the account on your behalf as a user and enter into transactions in your name using the funds held on your account. The user's authority to represent you must be confirmed by the relevant document, including, but not limited to, articles of association, a resolution of a competent corporate body, a power of attorney, or others.

8.2. Security of your data

- 8.2.1. You are prohibited from disclosing your personal and identity authentication data to any third person and/or letting anyone access your profile or watch you access it.
- 8.2.2. You must keep your identity authentication data confidential and be responsible for the loss or misuse of any identity authentication data, including exclusive liability for any consequence of their use by unauthorised persons.
- 8.2.3. You must take at least the following actions to keep your Neocard profile safe:
 - use strong passwords that should be complex, not related to your public data, consist of capital and small letters, numbers, and special symbols, not used elsewhere,
 - change your password regularly and do not use the same across other online accounts,

- set up and use strong customer authentication were prompted for the logging up and confirmation of your transactions wherever possible,
- regularly check your email due to potential notices of us of security breaches and/or unusual behaviour (e.g., logging in to the profile from a new IP address/device or fraud suspected or committed),
- regularly, at least once a month, to check IP addresses used for logging in to Neoweb banking solution and Neocard App,
- when logging in to the profile, make sure that this environment (internet address) is not of fraudsters,
- use antivirus software and other security means recommended by security experts during the use of our services and regularly update operating systems and software used in hardware,
- regularly check transactions executed on your account to make sure that unauthorised transactions have not been conducted,
- after using our system, immediately log out of it and close it.

8.3. Transaction history

- 8.3.1. Any money you receive, send, withdraw or use for NeoCard purchase (including fees) using our services will be recorded and stored in the transaction history section of your Neocard profile. To get information on performed and received transactions and their details, you need to log into your profile, find the button “Get statement,” and view this information free of charge, or print it out at a selected frequency.
- 8.3.2. This information is accessible at all times via your profile and is free of charge. Paper statements are available on request and are subject to a fee according to our Pricelist.
- 8.3.3. Records mentioned may be submitted by us to you and/or third persons who have the right to receive such data under the basis outlined in the legislation as evidence confirming the submission of transfer orders and executed transactions.
- 8.3.4. If, for any reason, your profile is suspended or if it is impossible to access your profile to receive a statement, you may contact us for assistance on such a matter by email at support@neocard.com or by phone indicated on our website.

8.4. Balance

- 8.4.1. If your account goes into a negative amount, including as a result of the reversal of a transaction, deduction of fees, or any other action carried out by you or a third party, that negative amount represents an amount you owe to us. We may send you reminders to recover the negative amount from you; however, it is your responsibility to cover the negative amount without any notice from us. In case we take other reasonable actions, such as debt collection service or take further legal steps, we may charge you for any costs we may incur as a result of these collection efforts.

8.5. Incoming transactions

- 8.5.1. You can receive funds into your account using methods that we support and from anyone, irrespective of having an account in our system or not.
- 8.5.2. After receiving a transfer and deducting the fee (if applicable), we will issue e-money and credit them to your account, which you can use.
- 8.5.3. We are not responsible for the funds transferring until we have received them. For clarity, in an incoming transaction, we are the recipient of funds and not the payment services provider.

8.6. Outgoing transactions

8.6.1. You can send SEPA from your Neocard account to:

- another account holder in the Neocard system;
- Lithuanian and EU payment services provider accounts and foreign banks (except for banks in foreign countries, which are forbidden under the sanction regime).

8.7. Compliance and security verifications

8.7.1. You undertake to fail to use our services for criminal, unlawful, or other activity and/or operations breaching the legislation.

8.7.2. Before completing an incoming or outgoing transaction, we have a legal right to review all transactions and will do so in cases it deems to be higher than average risk. For example, such reviews will occur when we reasonably suspect that the transaction may involve a restricted or prohibited activity or any other reason we may determine from time to time. If we limit the fund sources to manage the potential risk from the incoming transaction, we will communicate to you before approving the transaction on any such limitations.

8.7.3. We could request to provide the documents confirming the legal background of the transaction (grounding of the source of funds used and the purpose of the transaction) and/or additional information and/or documents related to your/your legal entity activity. All data shall be drawn up and provided at your expense and in the form required by us (including acceptable language and legalisation and confirmation with the Apostille if necessary). We have the discretion to accept or decline any documents provided by you.

8.7.4. In situations related to the obligation of compliance/due diligence, we could require you to submit data in a particular case in the way and form required for your own expense.

8.7.5. Our request could require different types of identity and security validation and verification checks, including third-party verification systems, and you agree to such checks as part of the due diligence approach.

8.7.6. To protect your and our legitimate interests, we may refuse the execution of incoming/outgoing transactions, if:

- you fail to provide the requested documents within the time limit specified, or documents provided to us are false or illegitimate;
- there are reasonable doubts that your transfer order has been submitted not by you or your lawful representative;
- we determine any shortcomings. If we cannot complete your transfer order, we will let you know the reasons for the refusal and error possible correction if such notification would not be unlawful or technically impossible;
- the incoming/outgoing transactions may breach or breaches the Service Agreement;
- Neocard App, the Neoweb banking solution and/or other financial system does not operate properly; there are other extraordinary market conditions, unexpected technical and other reasons, or when a risk related to the transfer execution is unacceptable.

8.7.7. If the incoming transaction is deemed unacceptable or we are not able to credit incoming funds, we will return the transaction amount to the sender not later than within 2 (two) business days and place the e-money back to the sender's balance, provided that we consider such transaction as unacceptable due to the breach of compliance regulations. We will notify you accordingly. The fees for returning may be applied.

8.7.8. You acknowledge that the funds received in your account may be subject to reversal (if not belonging to you), and you agree that we may deduct the received amount without your instruction from your account if:

- it was reversed by the person who transferred you the received amount or any relevant payment services provider; and
- it was transferred by fraud, mistake, or, in other cases, with no legal basis.

8.7.9. If your remaining balance is insufficient to deduct the mistaken amount, you must unconditionally compensate us the difference upon our request and details.

8.7.10. You must not close your account to avoid a compliance inquiry. If you attempt to close your account during an investigation, we may hold your funds until the investigation is completed or the dispute is resolved to protect our or a third party's interest.

8.7.11. We reserve the right to close or set limitations on the account or you as a client, if you do not comply with this Service Agreement, applicable laws, and regulations, do not respond to reasonable requests of us, or we are not able to verify the authenticity of the information, data or documents provided by you for verification purpose.

8.8. Data processing

8.8.1 During the transaction processing, we transfer data related to you to the third parties associated with the transaction execution. If you disagree with such a condition, please don't make any transactions.

8.9. Withdrawing funds

8.9.1. At your request, e-money held on your account may at any time be withdrawn to you (in whole or part), except if our service supply is suspended or otherwise restricted to you under breach of the Service Agreement or applicable legislation.

8.9.2. Withdrawal requests may be sent as a transfer order to any other account with no extra charges. However, a regular fee is payable on such transfers.

8.10. Inactive account

8.10.1. If you did not perform transactions for more than 12 (twelve) months, we would deem the account not in use, and it is inactive. If the account has funds, we will apply the monthly administration maintenance fees in the amounts forth in our Pricelist until the account balance reaches 0 (zero).

8.10.2. Once the account balance reaches 0 (zero) or the inactive account already has a zero, we will terminate the Service Agreement, informing you about the inactive account(s) closing 30 (thirty) days before termination. If you do not contact us with a request to reactivate your account during this period, we will close your account and NeoCard.

8.11. Closing your Account

8.11.1. You may end this Service Agreement and close your account anytime by contacting us via Neocard App or Neoweb banking solution using the account messaging function.

8.11.2. If you plan to terminate the Service Agreement and stop using our services, or we do it, then the withdrawal of funds is carried out in full by transferring to your bank account or an account in another payment services provider indicated by you, except for our commissions and other obligatory fees.

8.12. Misappropriation or unauthorised use

- 8.12.1. If you suspect that your profile, personal and/or identity authentication data is obtained by any third person or could be compromised, or there are transactions on your account you don't recognise, you must:
- inform us without delay about such facts to block the access to your account by email on support@neocard.com or phone number +370 5 2060006,
 - stop using your account until we contact you.
- 8.12.2. In addition, we have a right to demand that you subsequently approve the previously submitted oral request to block your account in writing or another acceptable manner for us.

9. SUBMISSION AND EXECUTION OF THE TRANSFERS

9.1. Submission of a transfer order

- 9.1.1. To send a transfer, you must log in to your profile, create a transfer order with specific information to us (including IBAN details and the amount to be transferred), and confirm your consent before execution of the transfer by identity authentication data, as required in the manner determined by us.
- 9.1.2. You must verify that the information you provided in your transfer order is correct before submitting it since, as the result of the provision of an erroneous IBAN or other inaccurate or erroneous information by you, a transfer will not be executed or inappropriately executed or returned to us. We are not obliged to check that the payee's IBAN corresponds to the account owner's name and surname (legal entity name) as provided in your transfer order.
- 9.1.3. A transfer order you submit must meet the Service Agreement and legislation requirements. If your account is seized, frozen, and/or is subject to other limitations, we will not accept and execute your transfer order.
- 9.1.4. Your submission of a transfer order we consider as your full authorisation to us to transfer the funds as instructed and based that all the data entered is correct.
- 9.1.5. If we non-executed or defectively executed a transaction after the direct initiation of the transaction by you, at all times, after receiving your request, we will immediately trace the transaction free of charge and notify you about the outcome.

9.2. Sufficient balance

- 9.2.1. You need to have a sufficient balance on your Neocard account before we can process your transfer order, as we will only process your transfer order if we hold or have received sufficient funds in your account.

9.3. Foreign currency transfers

- 9.3.1. There is no currency conversion at this time.
- 9.3.2. For now, we would only offer transfers in euros, but we are working on expanding our services. As soon as we reach our goal, we will inform you how it will work.

9.4. Transfer limits

- 9.4.1. For anti-money laundering and security reasons, we may impose transfer limits on how much you can transfer to/from your account or impose special requirements based on our criteria. We shall not be obliged to disclose these criteria.

- 9.4.2. You have the right to request us to decrease or increase the limits applied by contacting us by Neocard App or Neoweb banking solution using the account messaging function and setting the size of the limits at your discretion. We will consider such requests based on the risk profile of each client. Therefore, our decision to apply increasing or decreasing limits could be permanent or temporary.

9.5. Execution of transfer order

- 9.5.1. The time limit for executing your submitted transfer order starts to run on the day you submit and confirm it. If we receive your transfer order outside of our working hours (after 5 pm) on a business day or not on a business day, such a transfer order, we will process it on the following business day.
- 9.5.2. All SEPA transfers usually are executed within 1 (one) business day, but usually almost immediately. Within the same clearing banks, up to a few minutes.
- 9.5.3. We execute your transfer orders within such terms; however:
- the payee party also has a legal obligation to carry out due diligence checks set forth by legal acts, and these checks may increase the time it takes to process your transfer order. As we do not have any control over the time it may take for the payee's bank or payment provider to make available funds to the payee, we cannot be responsible for any delays as a result of performing those checks;
 - in case of technical malfunctioning, errors, failures, system unavailability, or delay in data transmission, the transfer execution may delay, in which case we will make all efforts to fix the technical malfunctioning and proceed with the transfer execution within a reasonable time. You confirm that in such cases, the transfer order may either not be executed according to your instructions, may not be executed at all, or may not be placed or modified.

9.6. Unique number

- 9.6.1. The Neocard system automatically gives a unique identification number to each transaction, allowing you to identify it. We will display it under the account statement with other transaction details.

9.7. Transfer cancellation

- 9.7.1. You can cancel a transfer order before you confirm it.
- 9.7.2. If you submitted an incorrect transfer order or indicated incorrect data and we still haven't processed it (in status Pending), you may cancel such transfer only if we agree, as it is technically possible and does not contravene applied legislation. Or you may request us to correct the data in the transfer order (if possible). This correction will be applied with a fee.
- 9.7.3. You can't cancel a completed transfer, as all transfers completed by us are final, and we can't return, cancel, or amend the transfers with this status. Thus, by making transfer order confirmation by your consent, you do not have the right to dispute, cancel or alter the executed transfer.

9.8. Returned transfer

- 9.8.1. If your completed transfer has been returned to us due to reasons beyond our control (for example, incorrect information provided, the account of the payee is closed, or other reasons that do not depend on us – the payee's decision not to accept a transfer), the returned amount will be credited to your Neocard account no later than within 2 (two) business days. We shall not repay you the fee paid for executing this transfer, and any other related fees and costs, such as correspondent bank fees, which also could be debited from your account.

- 9.8.2. If your completed transfer has been returned due to our mistake, we will refund you the transfer amount and all previously paid fees associated with this transfer without undue delay.

9.9. **Unauthorised or incorrectly executed transfers**

- 9.9.1. You must regularly check and verify information on incoming/outgoing transfers performed on your account against your records to state any errors, discrepancies, unauthorised or inappropriately executed transfers.
- 9.9.2. If you don't recognise or authorise a transfer made on your Neocard account or reveal non-conformance, you must contact us without delay but within 13 (thirteen) calendar months from the date of debiting the account becoming aware. If you fail to notify us, we will consider as acceptance by you of such transfer, and you will lose your entitlement to have the unauthorised or incorrectly executed transfer refunded by us.
- 9.9.3. Where you have informed us that you did not authorise a transfer, and you have taken all reasonable steps to keep personalised and identity authentication data safe and didn't disclose them to anyone else, and didn't act fraudulently, we will:
- refund the amount of the unauthorised/incorrectly executed transfer to you;
 - refund any direct charges for which you are responsible and any interest which you must pay, as a consequence of our non-execution or mistaken execution of the transfer; and
 - restore the account balance to the point before the unauthorised/incorrectly executed transfer was written off.
- 9.9.4. If we suspect fraud and need to inform the Bank of Lithuania about such suspicion, you agree that we have a right to investigate to determine the case's merits and verify the data. Then, according to its results, we will either return the transfer amount or justify the refusal to return in case of unreasonableness.
- 9.9.5. If you deny authorising a transfer that has been approved or state that the transfer has been executed improperly, we are obliged to prove that the authenticity of the transfer has been confirmed, it has been appropriately registered and recorded into accounts, and it has not been affected by any technical breakdown or some other deficiency.
- 9.9.6. If you indicated incorrect data (wrong unique identifier or IBAN) and we processed it following your details, it will consider we correctly completed it even if you had a mistake. We are not liable for non-execution or mistaken execution of such transfer. We will take all necessary actions to track the transfer and seek to return the funds; however, in the event of failure, you shall directly contact the transfer payee to return the funds. If the collection of funds is not possible, we will provide you with information available to us which is relevant to you to help you file a legal claim to recover the funds on your written request. We may charge additional fees for such assistance.
- 9.9.7. If you initiated the transfer order properly and we have not executed or executed it improperly, after receiving your request, we will immediately and without charge take measures to trace the operation and to inform about the results of the search you, and we will:
- without undue delay, refund you the amount of the non-executed or incorrectly executed transfer and refund the already paid fee; and
 - restore the account balance to the point before the unauthorised/incorrectly executed transfer was written off.
- 9.9.8. We are not liable for the indirect losses incurred by you and related to the not executed transfer order or improperly executed transfer order, but only for your direct losses.
- 9.9.9. We may present these records to third parties under legitimate request.

10. USE OF YOUR NEOCARD

10.1. General

- 10.1.1. Your NeoCard is denominated in euro.
- 10.1.2. Your NeoCard is not a credit card. Therefore, you can only spend the value of the funds in your account.
- 10.1.3. You can use your NeoCard for non-cash transactions when paying for goods and services at points of sale, where Mastercard is accepted, make purchases online, at POS, or withdraw cash at ATMs.

10.2. Fees

- 10.2.1. We might charge you fees for some operations with your NeoCard, so find out more about our Pricelist [here](#).
- 10.2.2. We withdraw all fees from your available funds on the account. The transaction will be declined if there are insufficient funds on the account.
- 10.2.3. For transactions and cash withdrawals at ATMs, we charge a cash withdrawal fee that reduces the available balance within your account and is charged in full on the day of the transaction execution or transaction authorisation.

10.3. Transaction authorisation

- 10.3.1. Electronic data on the NeoCard transaction we received from the point of sale, ATM, or merchant represents a transfer order. The time of receipt of such a transfer order is any moment we receive electronic data on the transaction from the point of sale, ATM, or merchant. Immediately upon receipt of a transfer order, we will debit your account for the amount of the transaction initiated by using your NeoCard.
- 10.3.2. Every NeoCard transaction request will be authorised by using appropriate methods, and we'll consider a transaction to be approved by you when you do at least one of the following:
 - enter your PIN where a PIN is required;
 - touching your NeoCard over or near a contactless reader if a PIN code is not required for contactless transactions up to a certain amount;
 - insert wave or swipe your NeoCard (digital or physical) in, over, or near a contactless payment reader;
 - sign a purchase receipt issued by the terminal;
 - provide your card details (card number, expiry date, CVV number);
 - use a 3D Secure method to complete and authenticate your transaction (if a merchant has implemented this method).
- 10.3.3. The merchant will be required to tell you the amount that will be blocked in your NeoCard and seek your consent. After your approval, we will block this amount on your NeoCard, and you can't use it until the merchant processes your transaction. We will release the blocked funds without delay on becoming aware of the amount. You remain responsible under this Service Agreement for all transactions you authorise on your NeoCard, including all charges and other amounts incurred.
- 10.3.4. When you use your NeoCard to make a withdrawal from ATM or make a purchase, we will consider that you have authorised the transaction unless:
 - you let us know that the funds have been stolen from your account; or
 - you don't think we've carried out your instructions correctly.

- 10.3.5. We shall not be liable if a merchant refuses to accept your NeoCard, or when we do not authorise a transaction, or we suspend the use of your NeoCard following this Service Agreement.
- 10.3.6. If the transaction is completed when there are insufficient funds in your account, or your account goes into a negative balance, for any reason, you must reimburse the difference in the balance unless it is due to an error by the merchant with whom you made the transaction. We may collect this insufficiency from any account and suspend your NeoCard(s) until the negative balance is restored.
- 10.3.7. We have a right to manage the NeoCard's functionalities and restrict its use at specific points of sale/websites based on risk assessment, regulatory or legal obligations, and when there are security reasons or if other circumstances of the case justify such a decision.

10.4. Exchange rate

- 10.4.1. When you make cash withdrawals at ATMs or purchases where the currency is different from your NeoCard currency (non-EUR), we will perform a currency conversion into EUR currency. We will use the Neocard exchange rate corresponding to the Mastercard exchange rate available on the [Mastercard Currency Converter | Currency Exchange Rate Calculator](#) applicable on the day of making a transaction.
- 10.4.2. Exchange rates can fluctuate between the date you made the transaction and the date the merchant actually processed it. According to the Mastercard exchange rate applicable on the day of transaction accounting, we will apply such changes immediately and without notice. You can find the exchange rate for a transaction made in a currency other than the euro on a given date here.
- 10.4.3. The exchange rate applied to a transaction will be shown in your transaction Statement, which is available in the Account History. Due to multiple changes in the rates of Mastercard during the day, the rates for transactions performed during the same day may be different.
- 10.4.4. If you use your NeoCard in a country that doesn't use the euro, sometimes you may receive an offer to use a dynamic currency conversion service and select the transaction debit amount in the domicile currency. This option will be displayed on the device's screen before you confirm the transaction. After your acceptance, the amount of the applicable exchange rate and other fees will be printed on the confirmation of the completed transaction by the foreign financial institution.
- 10.4.5. Where a merchant partially or completely refunds a transaction, which was non in EUR currency, a different exchange rate could apply to the one used for the original transaction.
- 10.4.6. We'll not be responsible if you are not satisfied with the exchange rate, you're charged fees, or you lose any money if you ask the merchant or any other foreign financial institution to make the currency conversion.

10.5. Recurring transaction

- 10.5.1. You can use recurring transactions if the merchant offers such an option. However, the conditions of such transactions are determined and governed by the merchant, not us, and we are not the party to the agreement of such transactions (including providing sufficient funds in your account). As a result, we may not cancel or modify such transactions, and you should notice your request to change or cancel recurring transactions directly to a particular merchant.

10.6. NeoCard replacement

- 10.6.1. We charge fees for replacing your NeoCard when we process the request for a replacement NeoCard. We can charge a fee from any of your Neocard accounts, except when we return a NeoCard that has been stolen or misappropriated.

10.7. Your security obligations

10.7.1. When you use the NeoCard, you must adhere to all the following rules:

- never disclose and not let anyone else know or use your PIN and security information indicated on the NeoCard (number, expiration date, and three-digit control number printed on the back), including us, our employees, police and judicial authorities,
- do not store details of your PIN with your NeoCard or other media if it is easy to understand which NeoCard the information refers to,
- when paying, you must not allow the NeoCard to go out of your sight, and if it happens, you do so at your own risk and is responsible for possible misuse of the NeoCard,
- check the amount of the transaction indicated on confirmation immediately upon receipt of the confirmation of the executed transaction,
- if the transaction is rejected or there was an unsuccessful authorisation of the NeoCard transaction, you must receive confirmation of the failed transaction from the merchant and store it until you are sure that the transaction did not appear on your account,
- always check the amount of the transaction indicated on the receipt immediately after the transaction and the balance and transaction history on your account regularly,
- when you shop online, make sure the site is reliable.

10.8. Protective measures

10.8.1. You can temporarily block your NeoCard (and later unblock it) or permanently freeze (with no longer the possibility to use) the NeoCard through the Neocard App or Neoweb banking solution. So if you find your NeoCard after you've blocked it but before you've notified us, unlock it again via the Neocard App or Neoweb banking solution.

10.8.2. We may limit how much you can receive, spend, or ATM withdraw using your NeoCard. We can change these limits from time to time at our discretion and follow our risk assessment and business decisions. Information about the actual limits is set here. You can ask us to change your limits, but we have the right to refuse them.

10.8.3. The Neocard system could detect potential threats and suspicious transactions to protect your property interests. As a result, we can exclude the possibility of using the NeoCard in certain countries and at specific merchants when, in our professional judgment, the necessary security standards in the card business are not ensured, or there is an increased risk of fraud or criminal offences in the field of prevention of money laundering and terrorist financing.

10.9. NeoCard misappropriation or unauthorised use

10.9.1. If you lost your NeoCard or suspect that any third person obtained your NeoCard or its data (including PIN) or there are transactions on your account you don't recognise, you must:

- immediately disable the use of the NeoCard within the Neocard App until the situation is resolved,
- inform us without delay about such facts via Neocard App or Neoweb banking solution or phone number +37052060006,
- stop using your NeoCard until we contact you.

10.9.2. In addition, we have a right to demand that you subsequently approve the previously submitted oral request to block the NeoCard in writing or another acceptable manner for us.

10.9.3. We will immediately after the reasons for temporary NeoCard blocking cease and, following your request, unblock the NeoCard or issue a new NeoCard with new security features to you. If we block the NeoCard without a prior report or your request, we will unblock it immediately after the reasons why it is blocked cease to exist.

10.10. Using restrictions

10.10.1. You can't use the NeoCard for illegal purposes, including purchases for goods and services that are prohibited by law in the territory of the country in which you are at the time of the transaction.

10.10.2. If such a situation happens, please get in touch with us at support@neocard.com for assistance and clarification.

10.11. NeoCard transaction cancellation

10.11.1. Consent to execute a NeoCard transaction given and authorised using appropriate methods may not be revoked or cancelled. Except when your transaction will occur on a future date or in the case of an exceptional agreement between you, us, and/or a point of sale/merchant.

10.11.2. We are not a party to the agreement on periodic payments between you and a merchant, and such payments will be governed by the terms and conditions of the merchant. Therefore, we can't cancel or modify such payments. Instead, you should request to change or cancel periodic payments directly to the particular merchant.

10.12. NeoCard Transaction refund

10.12.1. You may claim a refund for NeoCard transactions initiated by or through a Payee when:

- you made authorisation for a transaction when a precise amount was not specified; and
- the transaction amount exceeds the amount you could have reasonably expected considering your previous expenditure, the conditions of this Service Agreement, and other circumstances, except for the cases relating to the exchange of currency, when upon executing the transaction, the currency exchange agreed between you and us was applied.

10.12.2. We will not accept a claim for a refund if the amount of the transaction was made available to you at least 4 (four) weeks before the transaction date or if the claim is made for a period of more than 8 (eight) weeks of the day on which the funds were debited from your account.

10.12.3. When you gave consent to execute the transaction, you indicated the maximum permissible amount of such transactions (one transaction or several such transactions conducted over a certain period); we considered that such a particular maximum amount of transactions could have been reasonably expected by you.

10.12.4. Within 10 (ten) business days of receiving a request for a refund, we will either refund the total amount of the transaction or provide a justification for refusing the refund and indicate the bodies to which you may refer if you do not accept the reasons provided.

10.13. NeoCard transactions disputing

10.13.1. If you have made a purchase using your NeoCard and have not received the goods or services as promised, the goods or services are unsatisfactory or do not match the merchant's description, and you must contact the merchant first. If you cannot resolve the dispute with the merchant, you need to contact **us** within 120 days of the purchase to help raise a chargeback case on your behalf under regular Mastercard chargeback

rules to get your money back from the merchant. The chargeback will apply to your account if successfully secured from the merchant through Mastercard. We can charge you the Fees we reasonably incur in pursuing the chargeback claim.

11. COMMUNICATION BETWEEN YOU AND US

11.1. Our notification

11.1.1. We send notices and communicate in the language used to communicate this Service Agreement to you, or the language agreed between you and us, for your convenience.

11.1.2. We usually send any notices or give messages by:

- publishing them on our website (in case such messages are addressed to multiple recipients, not related to personal, unpublished, confidential data of any client or other sensitive data);
- using account messaging function in the Neocard app or Neoweb banking solution;
- sending them via email;
- SMS; or
- push notifications in each case using identity authentication measures.

11.1.3. You confirm your acceptance of such notice methods, acknowledge that our notices and messages sent by any of the methods mentioned above you deemed as appropriately given, and you agree to provide a correct email address, telephone number, and address.

11.1.4. Any notices and notifications sent by:

- email and account messaging function will be deemed received on the same day if it is received in the inbox before 5 pm on a business day. If it is received in the inbox after 5 pm on a business day or at a later time, it will be deemed received on the next business day;
- the post will be deemed to receive 3 (three) business days from the date of posting for the Lithuanian post or within 5 (five) business days of posting for the international post;
- SMS or push notifications will be deemed received the same day.

11.1.5. You should check for incoming messages regularly; otherwise, you could miss messages from us related to our services. We cannot be liable for consequences or losses if you don't do this.

11.2. Your notifications

11.2.1. We consider the notice you send to us appropriately given when such message is submitted using the account messaging function or email support@neocard.com or using contact data provided by your manager. For urgent matters, such as notification about compromised or unauthorised account or NeoCard operation, unlawful use of services, or security threats, you contact us by support numbers during business hours indicated on our website.

11.2.2. We consider that your electronic messages (such as requests, complaints, and claims) are deemed received on the day of their submission if they are sent till 5 pm. Messages sent after 5 pm are considered received on the next business day morning. Other notices will be deemed received according to the timeframes as in our notifications.

11.2.3. All notices shall be sent in the language used to communicate this Service Agreement unless otherwise agreed between the parties.

11.2.4. You can receive a consultation regarding issues related to the Neocard system and execution of the Service Agreement by sending your question via email to info@neocard.com or by postal address: Topoliu str. 24A-2, Nemezio village, Vilnius district, LT-13262, Lithuania.

11.3. Correctness of your contact details

11.3.1. As we use your previously provided contact details, you must immediately inform us of any changes in your contact details (telephone number, email, and address), which we could use to contact you. All consequences arising from the failure to inform us in case of contact change will be borne by you.

11.4. Other legal concerns

11.4.1. We reserve the right to record all our communication and use such recordings in any dispute or anticipated dispute involving you or us. You may nonetheless not rely on the availability of such recordings.

11.4.2. If you withdraw your consent to receive electronic communications from us and/or if you do not update your electronic contact details, we reserve the right to close your account.

11.4.3. As we send essential notifications and information to you via the Neocard App and the proper functioning and security of it relies on updates, you agree that you will keep the Neocard App on your devices up to date.

12. BLOCKING AND SUSPENSION OF THE USE OF OUR SERVICES

12.1. We, at our sole discretion, have the right to unilaterally and without prior notice apply one or several of the following measures to protect us, other third persons, and you from potential monetary sanctions, losses, and other negative consequences:

- to decline your application for any of the services;
- to suspend, reverse or withhold any transaction;
- fully or partially block, suspend or prohibit the provision of the services to you;
- to restrict your access to the profile, account and/or NeoCard and funds on it;
- to detain your funds that are a matter of dispute;
- to return frozen funds from your account to the primary sender of funds; or
- to terminate the services.

12.2. We will be forced to apply these measures in exceptional cases, including where:

- we receive a request from you;
- we have reasonable concerns about your profile/NeoCard/identity authentication data security, unauthorised or suspicion use;
- any existence of reasons related to the security of the NeoCard,
- we suspect fraud, money laundering, terrorism financing, violation of sanctions, or other criminal or illegal activity;
- you provided false information at the time of conclusion of the Service Agreement;
- we have justified reasons to believe you are in breach of any applicable law, compliance rules of Mastercard or regulation requires us to do so;

- we are requested or directed to by any competent court of law, government authority, applicable law, regulation, or governmental authority;
- we are no longer able to provide the service due to a change in or termination of service from our third-party suppliers or due to a change in the policies of those suppliers
- you repeatedly enter an incorrect PIN at the physical point of sale or the incorrect NeoCard information when paying online;
- you fail to provide us with the information and/or documents required under our legitimate request, or this information is false or misleading;
- your actions and/or omission cause or may cause damage to us or other third persons/Mastercard, including significantly increased risk related to your possibility of fulfilling your liabilities;
- you use our services in a way that this Service Agreement doesn't allow, or there is a reasonable possibility of violation of this Service Agreement;
- you do not carry out transactions for a minimum of more than one year;
- you've announced bankruptcy or winding-up proceedings;
- we are saddened to acknowledge the fact of your death;
- exist other cases stated in this Service Agreement.

- 12.3. We will promptly notify you by your registered email about any intention and limitation of the services and the reasons. If this is impossible, it will do so immediately after the blocking. Except for cases when such notification would prejudice the safety of funds, weaken the security means, or be forbidden by legal acts or Mastercard rules.
- 12.4. If we blocked your profile and/or NeoCard at your initiative, we will cancel the blockage only after receiving your written request and applying the necessary identification procedures.
- 12.5. Suspension of the services will be continued until the reasons for the suspension no longer exist. We have the right to replace a blocked NeoCard with a new one.
- 12.6. Suspension or restriction of the services shall not exempt you from the liability to fulfil to us the obligations provided for in the Service Agreement that has appeared before the suspension or restriction of the services.
- 12.7. We are not liable for your losses incurred due to limitations measures if our actions have been performed under the applicable legislation and the circumstances specified in this Service Agreement.

13. TERMINATION OF THE SERVICE AGREEMENT

13.1. Termination by you

- 13.1.1. The validity period of the Service Agreement is open-ended. You may terminate the Service Agreement anytime by giving us a 14 (fourteen) calendar days' notice by contacting us in the Neocard App or Neoweb banking solution.
- 13.1.2. When you decided to stop using our services and terminate this Service Agreement, you still:
- need to pay us any fees you owe us before such termination. If the balance is insufficient to cover such fees, you must transfer the remaining difference to the account,
 - need to choose the way of transfer any positive balance remaining on your account and create a transfer to another your bank or payment services provider,

- remain liable for any liabilities arising from your use of the account and NeoCard when it was active even after the closing.

13.1.3. Your account cannot be closed if we are investigating it for fraud, money laundering, terrorism financing, violation of sanctions, or other criminal or illegal activity. We can hold the balance in your account for a period of investigation to protect ourselves and any third party against any potential liabilities that stem from your account/NeoCard use or the causes of the analysis.

13.2. Termination by us

13.2.1. We have the right to terminate the Service Agreement unilaterally and refuse to provide our services with or without indicating the reason by giving you at least 2 (two) months' notice if our decision is not related to exceptional cases.

13.2.2. We can terminate the Service Agreement for a part when you can remain to use only your account without any NeoCard link to it or terminate in full.

13.2.3. You can't refund fees paid in the event of cessation of validity of the Service Agreement.

13.2.4. In the case of termination of the Service Agreement and closing your account and NeoCard, we may deduct from the balance fee, penalties payable to the governmental or third parties' losses and any other documented costs through your fault. If the balance is insufficient to cover the amounts due, you must transfer the remaining difference to the account indicated by us not later than 7 (seven) calendar days.

13.2.5. After termination of the Service Agreement, the e-money held on your account will be redeemed and will transfer the funds receivable by you after the redemption of the e-money to a bank account or an account in another payment services provider except for our fees and other obligatory payments.

13.2.6. The termination of this Service Agreement shall not relieve the parties of our obligations to pay the funds owned nor affect any legal rights or obligations that may have arisen under this Service Agreement before or at the termination date.

13.3. Final Account Statement

13.3.1. If you decide to terminate the Service Agreement, you can download your account statement before closing the account. If you did not do this for some reason, we consider that you chose not to receive such.

13.3.2. If we terminate the Service Agreement on our initiative, we will provide you a PDF file of your account statement free of charge, reflecting your transactions executed during the previous 3 (three) years. If the Service Agreement was concluded less than 3 (three) years before the termination date, then for the period of validity of the Service Agreement.

14. CONFIDENTIALITY AND DATA PROTECTION

14.1. The parties shall keep the confidential information strictly confidential.

14.2. When you have doubts about the confidentiality of certain information, you must behave with such information as with confidential information until you receive our written confirmation that such information is confidential.

14.3. The obligation of confidentiality shall not be applied to information that:

- is or became public and freely available; or
- was available to you or us as receiving party on a non-confidential basis before the disclosure; or
- is disclosed to the third party upon our prior consent;

- was lawfully in possession of you or us as receiving party before disclosed the information; or
- is disclosed when fulfilling a lawful order of a court or a governmental or regulatory authority.

14.4. You confirm and agree that we disclose the confidential information to the third parties supplying the services and/or involved in our service supply.

14.5. To provide our services, we need to collect and retain personal data about you and certain persons connected to you. Therefore, by accepting this Service Agreement, you are giving us explicit consent to access, process, and/or retain any personal data for our provision of the services. Please review our Privacy Notice for more information on how we use and protect your personal data and privacy rights.

15. SOFTWARE USE

15.1. We grant you a limited licence for using any of our software applications you access your profile or have downloaded to your device. You can use our software for your purpose only and are prohibited from transferring your usage rights. By signing this Service Agreement, you confirm your understanding that our software belongs to us or any third party who has a contract with us to provide our services.

16. LIABILITY OF THE PARTIES

16.1. The parties are liable for all documented fines, penalties, and other direct losses the one party incurs due to a violation of the Service Agreement by the faulty party. In addition, the faulty party undertakes to reimburse direct damage incurred due to liability to the affected party.

16.2. You are liable for:

- appropriate fulfilment of the Service Agreement and lawfulness of your actions related to the use of our services;
- correctness, completeness, and validity of information, documents, and data produced to us, and timely noticing us of any changing of your data required for the execution of the Service Agreement (even if this information is already available to public registers);
- regular verification of an account balance, correctness of operation, and noticing deviations;
- the outcome in results of complaints, disputes, claims, reversals, chargebacks, fines, penalties, and other liability to us or related third parties using our services;
- up to 50 (fifty) euros of the losses, if you didn't inform us as soon as you realise that your account or NeoCard is lost or stolen, you think or suspect that someone else knows your security or identity authentication data details, or there have been unauthorised transactions on your account/NeoCard;
- all losses if you didn't protect your device, account, or NeoCard security or identity authentication data details, didn't comply with the rules regulating the issuance and usage of the account or NeoCard provided in the present Service Agreement, you've acted fraudulently, and didn't inform us about the personalised security features of your account or NeoCard have become known or can be used by third persons;
- ensuring that you do not use our services for transactions and other purposes that may be considered illegal.

16.3. We are liable for:

- issuing you personalised security credentials to use our Services which are not accessible to persons other than you;

- correct execution of the transfer orders under your instructions and consents and according to requirements by legislation;
- for direct damages caused by our explicit and essential breach of the Service Agreement, and only for damages we could have foreseen at the time of breaching the Service Agreement.

16.4. Nothing in this Service Agreement will stop us from being responsible to you if we act fraudulently, we operate with a significant degree of negligence and make a mistake, and the law does not limit or exclude our liability.

16.5. We shall not be liable for any money you've lost as a result of:

- incorrectness and inaccuracy of transfer orders and operations submitted by you and for any losses arising thereof;
- refusing to accept or authorise your NeoCard at a point of sale, merchant, or ATM;
- the quality, legality, or any other aspect of any goods or services purchased/sold with your NeoCard or account;
- claims raised between you and the other party, except the claim to us regarding our obligations' non-performance or improper performance;
- illegal actions and operations of third persons performed using counterfeited and/or illicit documents or illegally received data;
- paying any charges to any third parties using our services;
- suspending the use of our services;
- any consequences which occur after we terminate the provision of the services in whole or in part, close, restrict, or suspend the account/NeoCard, determined by this Service Agreement or the applicable laws and regulations;
- unauthorised operations that you executed in violation of this Service Agreement and any requirements of applicable laws and/or Mastercard rules;
- actions of the third person with your account or NeoCard provided that your actions determine such actions or they appear due to circumstances beyond our control;
- our compliance and existence of obligations arising from applicable laws, regulations, the decision of the court of competent jurisdiction, and Mastercard;
- for any direct or indirect loss and damages, including loss of revenue, reputation, goodwill, or opportunity as a result of your partial or complete use or inability to use our Services due to interruptions;
- operation and/or failure of the internet, networks, technical equipment, communication means, and/or software used for the access to our services or any third party services we rely on for the performance of our obligations beyond our reasonable control and consequences arising due to disturbances of the fulfilment of any of our obligations;
- corruption or loss of data unless caused by our wilful misconduct;
- unexpected events outside our control, where the consequences would have been unavoidable despite our best efforts (including epidemic and pandemic, bank delay, postal delay, failure or delay of any electronic transmission);
- lost, late, or undelivered SMS text messages, notifications, or communications;
- any technical, computer, cable, electronic, software, hardware, transmission, connection, or other access issues may hinder your ability to access the SMS services.

17. GOVERNING LAW AND DISPUTES RESOLUTION

- 17.1. The Service Agreement, its interpretation, dispute, or claim, including any non-contractual relations arising out of or in connection with this Service Agreement or its subject, are governed by the laws of the Republic of Lithuania.
- 17.2. We strive to resolve all disputes with you with a win-win outcome on terms acceptable to both parties and in a constructive manner that will keep you satisfied with your overall experience with us. Therefore, in the event of a dispute, we urge you to contact us directly in the first place.
- 17.3. When a dispute arises, we have a right to retain funds being the subject of the dispute unless the completion of the dispute.
- 17.4. The notices, documents, transfer orders, or other data provided by you endorsed by the identity authentication measures shall be deemed to be of the same legal force as the documents bearing a hand-written signature and the seal (if any) and are accepted as means of evidence in the adjudication of any disputes between you and us.
- 17.5. If the parties cannot solve the dispute through negotiations, or the dispute may be hard to resolve without the contribution of an independent party and without using a dispute resolution mechanism, then any disputes unsettled by negotiations or in other pre-trial ways will be settled in a relevant court of the Republic of Lithuania.
- 17.6. In carrying out any NeoCard activities under this Service Agreement, the parties shall observe applicable regulations and rules of the Mastercard as well.
- 17.7. We own all the intellectual property in the Neocard products and services or have a license to use them, e.g., Neocard App, website, logo, and NeoCard designs. You agree you won't use our intellectual property, except to use our services and products.

18. COMPLAINTS

- 18.1. If you have any claims or complaints about us or our services, you may contact us following our [Complaints Policy](#).

19. VALIDITY AND DURATION OF THE AGREEMENT

- 19.1. The Service Agreement is concluded for an indefinite time and shall be valid until its termination.
- 19.2. You and we are independent contractors under this Service Agreement, and nothing herein will be construed to create a partnership, joint venture, or agency relationship between us. Neither party has the authority to enter into agreements of any kind on behalf of the other. If any of the provisions of the terms and conditions of this Service Agreement become invalid or determined as unlawful or non-fulfilled, the remaining terms and conditions will remain in full force and effect.
- 19.3. Any delay or failure by us to exercise any right or remedy under the Service Agreement could not be considered as a waiver of our right or remedy and will not stop us from exercising it at any later time.

20. CHANGES IN THE SERVICE AGREEMENT

- 20.1. Our development and changes in the industry may require us to amend the terms and conditions of this Service Agreement and related documentation from time to time. We can do this at any time by:
 - publishing changes on our website in the section “Legal Documents” 2 (two) months before the effective date; or

- sending you 2 (two) months' notice by email before the change will come into effect; or
 - presenting when you access your profile.
- 20.2. You undertake to review our "Legal Documents" section regularly and to periodically access your online notification where relevant information may be published.
- 20.3. If you disagree with the amendments of the Service Agreement, including fees, you should close your account and NeoCard and stop to use our services. In such a case, we will not charge any termination fees. If you haven't done this or unless you tell us otherwise, we will consider that you accepted our amendments, and they will apply to you within 2 (two) months after the notification has been published or sent.
- 20.4. We will notify you in advance about known and possible technical failures of the Neocard system or systems of third parties involved by us in the provision of services, which could have an impact on the stability and availability of our services.
- 20.5. We are not able to notify you 2 (two) months before the changes take effect, if:
- we made any changes that were required as mandatory of the legislation and had an effect immediately;
 - we made non-essential amendments to the Service Agreement, such as style and grammar corrections, paraphrasing and moving a sentence, a clause, or a section of the Service Agreement for the sake of better understanding;
 - reasons beyond our control cause situations;
 - your obligations are not adversely affected, or we made changes that do not reduce or limit your rights;
 - we reduced the fees or set any friendly terms in other ways;
 - we launched a new service, which can be used or not used by you on your choice.
- 20.6. In this case, within 2 (two) months from the date of entry into force, you will be able to close your account and NeoCard free of charge (including cases when we make changes without prior notice that are clearly in your favour).
- 20.7. You shall not have the right to amend the conditions of the Service Agreement and services unilaterally; however, you and we may agree on additional conditions not stated by a separate written agreement. Such an agreement will become an integral part of the Service Agreement. A draft agreement will be prepared and sent to you by email upon your request. If you agree with the draft, sign it, and forward a scanned copy to us. Please note that we have the right to require you to send the agreement by post with your original signature.

21. MISCELLANEOUS

- 21.1. Each party confirms that it has obtained all necessary consents, approvals, permits, and licences required by applied laws to perform actions necessary for the performance of the Service Agreement.
- 21.2. You can't assign your rights and obligations arising from the Service Agreement to third parties without our prior written consent. We can transfer any of our rights and obligations arising out of this Service Agreement at any time to third parties without your consent if such transfer of rights and obligations does not contradict the legislation and would not have a significantly negative effect on your rights.

22. FORCE MAJEURE

- 22.1. The parties shall be exempted from responsibility for the non-fulfilment of the Service Agreement provided that they prove that the Service Agreement was not fulfilled due to the appearance of *force majeure*. Each party shall

notify the other party in writing (including email) of the appearance of the *force majeure* disturbing to fulfil the Agreement within 14 (fourteen) calendar days upon the appearance of the *force majeure*.

APPENDIX 1 - DEFINITIONS

Account: an account assigned to store e-money in the Neocard system, which is opened in your name and contains information performed by you using our services.

Business Day: a calendar day other than Saturday or Sunday or bank/national holiday set by the legal acts of the Republic of Lithuania, when the correspondence banks, credit/financial institutions involved in providing our services, are open for business.

Confidential Information: any information (however recorded or preserved) disclosed by or exchanged between the parties in connection with the services which should be reasonably expected to be confidential in the context of disclosure or the nature of the information.

E-money: electronically stored monetary value (electronic money) as represented by a claim on Neocard, which is issued on receipt of funds on the account to make transactions using our services.

Identity Authentication Data: including but not limited to login names, passwords, strong customer authentication codes, and any personalised security features of Neocard account/NeoCard used to validate your identity and authorisation of the transactions agreed by you and us.

Fees: a fee and/or charge which applies for and in connection with the use of our Services. Fees are available at the Neocard website or can be agreed upon by you and Neocard individually.

Mastercard: a funds transfer system with common rules and standardised arrangements for the processing, clearing, and/or settlement of card transactions.

NeoCard: a plastic and/or virtual Mastercard Prepaid card issued by Neocard under a licence acquired from Mastercard that is linked to your account and allows you to pay exclusively with the funds available in the form of e-money.

Neocard App: a mobile application for Neocard account and NeoCard management, installed and used on your mobile device.

Neoweb banking solution: a software solution located at my.neocard.com, used for providing our services, managing the funds in the account, and exchanging information with Neocard.

Neocard System: Neocard App and Neoweb banking solution.

Party: Neocard or you.

Password: any code created by you in the Neocard system, a code created by you and used for strong customer authentication, or a code provided to you for access to the profile or the initiation, confirmation, execution, authorisation, and/or management of our services.

Payee: a private or legal person specified in the transfer order as a recipient of the transaction's funds.

Transfer Order: an instruction that requests the execution of a transaction from you or the payee for the provider of payment services.

Payment Service Provider: a bank or a branch of a foreign bank; a payment institution or electronic money institution established under the legal acts, or a branch of a payment institution or electronic money institution; other similar financial institution providing payment services.

Personal Data: any information relating to a private person (data subject) who is known or who can be identified directly or indirectly by reference to such data as a personal identification number or one or more factors specific to his physical, physiological, mental, economic, cultural or social identity.

Personalised Security Credentials: data used for authentication, for example, tools for generating information (such as a one-time password generator) or elements to be memorised (e.g. biometric characteristics).

PIN (Personal Identification Number): a personal secret identification number used to identify you and/or authorise transactions.

Pricelist: a list of fees and charges of Neocard which forms an integral part of the Service Agreement and applies for and in connection with the use of the services, which we published on Neocard's website.

Privacy Notice: Neocard's policy governing the processing of personal data, which forms an integral part of the Service Agreement and applies for and in connection with the use of the services.

Profile: the result of registration in the Neocard system, during which your data is saved, a login name is created, and your rights in the system are defined.

SEPA: a money transfer in EUR between the banks of the 28 EU member states and Iceland, Liechtenstein, Norway, Switzerland, Monaco, and San Marino, whose recipient accounts have IBAN.

Service: the service of issuance and redemption of e-money and other payment services provided by Neocard under this Service Agreement;

Service Agreement: an agreement on the provision of Services between Neocard and you as a client, which includes the present Services Agreement and the Pricelist, Privacy Notice, Cookie Policy, and Complaints Policy, and any other conditions and documents which is referenced in the present Services Agreement.

Statement: a document prepared and provided by Neocard containing information about transactions carried out on the account during a specific period. Your statement shows the information on the payee of each transaction and a reference enabling you to identify each transaction; the amount of the transaction shown in the currency in which the transaction was paid or debited to the account; the fees paid for the transaction; the exchange rate used in the transaction (where applicable); and the date the transaction is authorised or posted on to the account.

Strong customer authentication: the procedure of verification of the identity based on the use of two or more elements categorised as knowledge (something only the client knows), possession (something only the client possesses), and inherence (something the client is) that are independent and the breach of one does not compromise the reliability of the others, and is designed in such a way as to protect the confidentiality of the authentication data.

Transaction: a money placement, collection, transfer, or withdrawal operations initiated by you as a client of Neocard, on your behalf, or by the payee, irrespective of any underlying obligations between you and the payee.

Transfer: a transaction wherein funds are transferred to the payee's account at your initiative.

You (client): a private person registered in the Neocard system and created a profile to use our services.

Website: Neocard website www.neocard.com.