

Cash Management Services in Lithuania



Danske Bank acquired SAMPO Bankas in Lithuania and Russia in 2006 with effect from 2007.

On 1 June 2008 SAMPO Bankas became Danske Bank A/S Lithuania branch. Danske Bank's profile in Lithuania is Danske bankas.

Danske bankas offers services to corporate and institutional customers including cash management, asset management, treasury and conventional retail banking products.

Danske Bank provides seamless and efficient Cash Management services from Ireland in the West to Lithuania and Russia in the East; covering all countries and mainly based on one central IT-platform to deliver integrated services for corporate customers.

Currency:	LTL
Time zone:	GMT + 2
Central bank:	The Bank of Lithuania
SWIFT BIC	SMPOLT22
Member of EU in 2004	

Danske Bank ratings:	Moody's	S&P
Short-term:	P-1	A-1
Long-term:	A2	A

Clearing and local market conditions

Foreign exchange regulations

There are no restrictions to execute foreign currency exchange.

Clearings systems

LITAS processes all kinds of customer and interbank payments regardless of their value. The payment system LITAS-RLS was designed for the real-time processing of payment orders in litas initiated by its participants. Retail payments are sent through the retail payment system LITAS-MMS operated also by the Bank of Lithuania.

LITAS is open from 7.45 to 15.00 for payment orders in litas local time.

Urgent payments are processed real time and ordinary payments three times per day, 9.00, 12.00, and 15.00.

Clearing formats

System participants (on 29 January 2007, the participants of the system LITAS-RLS were the Bank of Lithuania, 9 commercial banks, 2 foreign bank branches, 9 financial brokerage companies, the Depository and the Central Credit Union of Lithuania) use unique format designed by BoL. Payment instruction

information is exchanged electronically between participants and the BoL.

Payment instruments

Domestic payments are mainly electronic with credit transfers, internet banking, cards and direct debit as the dominant transaction types.

- Credit transfers are the dominant payment type in terms of volume and value. Payments from Corporate customers are mainly made as credit transfers. Normal value dates are the same day, if payment is received before 14.30 pm.
- Direct debit mostly is used for public utilities and services settlements.

Internet banking is growing both on the corporate side and household. E-payment and E-invoice have been introduced in Lithuania, but is not widespread.

Cards

Cards are very popular in Lithuania. VISA credit cards predominate the market. Use of the cards in shops and in ATM are widespread. Danske bankas issues MasterCard, Maestro and VISA cards.

Local foreign currency payments

No restrictions.

Foreign payments

No restrictions.

Taxation

Corporate income tax must be paid by Lithuanian entities and foreign entities carrying on their business through permanent establishments situated in Lithuania. The standard corporate income tax rate is 15%

Certain income of foreign entities originated in Lithuania but received not through permanent establishment in Lithuania is subject to withholding tax. (e.g. interest, dividends, royalties, etc.)

VAT is levied on the supply of goods and services at a standard rate of 21%

For details, please consult a local tax advisor or auditor.

Cash Management Products and services of Danske Bank

Accounts

Resident and non-resident accounts in local and foreign currency. Account opening forms in English.

Domestic payments

Bank transfer is the safest and fastest way for companies to settle accounts with their partners. Danske bankas offers you an opportunity to execute domestic payments in LTL as well as payments in other currencies.

Direct Debit

Danske bankas offers a local direct debit service that will help you avoid inconveniences related to overdue payment of bills.

Foreign payments

No restrictions.

Liquidity management

In Danske Bank Group you can make group payments. These transfers are faster and cheaper than ordinary payments.

Group account can be offered in Lithuania as well as interest netting service.

Electronic banking

Reporting through SWIFT messages.

Danske eBank is Danske bankas online business system in Lithuanian, English and Russian language, which provides access to viewing account information, setting up payments and other services.

Danske Click allows e-commerce websites to accept instant online payments from Danske bankas' eBanks users.

Business Online is Danske Bank Groups online business system, which provides rapid access to setting up payments, viewing account information and authorising several payments at the same time. All information in Business Online is updated constantly. So you always have an up-to-date picture of your company's cash position. By installing Business Online you can make local payments in Denmark, Norway, Sweden, Finland, the United Kingdom, Ireland, Germany, Poland, Estonia and Latvia and view account information.

Links to other banks

Reporting via MT940 and MT942 statements, if required. Danske Bank can also report via EDIFACT (DEBMUL, CREMUL or FINSTA).

Further information

If you require more information about Cash Management in Lithuania, please visit our website www.danskebankas.lt or www.danskebank.com/corporate.