

# Cash Management Services in Lithuania



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

Danske Bank acquired SAMPO Bankas in Lithuania and Russia in the autumn of 2006. On 1 June 2008 SAMPO Bankas became Danske Bank A/S Lithuania branch. Danske Bank's profile in Lithuania was Danske Bankas, until November 2012, when - due to a new corporate strategy - all of Danske Bank brand names gathered under the Danske Bank brand name.

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

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

## Clearing and local market conditions

### Foreign exchange regulations

There are no restrictions to execute foreign currency exchange.

### Clearings systems

LITAS processes all kind of customer and interbank payments regardless of their value.

- LITAS-RLS; for the real-time processing of payment orders in litas
- LITAS-MMS; for retail payments

Both payment system are operated 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 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 Bank 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 Lithuania

### 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 Bank offers you an opportunity to execute domestic payments in LTL as well as payments in other currencies.

### Direct Debit

Danske Bank 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 Bank local 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 Bank' eBanks users.

Business Online is Danske Bank Groups web-based 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 using Business Online you can get access to 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 XML format and EDIFACT (DEBMUL, CREMUL or FINSTA).

### **Further information**

If you require more information about Cash Management in Lithuania, please visit our website [www.danskebank.lt](http://www.danskebank.lt) or [www.danskebank.com..](http://www.danskebank.com..)