



Tax&Legal Highlights

Lithuania

[Changes on authorisation process for e-money and payment institutions in Lithuania](#)

In order to implement the PSD2 Directive and EBA Guidelines under PSD2 Directive, the Bank of Lithuania (Regulator) currently considers draft amendments to Rules for the Licensing of Electronic Money and Payment Institutions. The amendments, if adopted, will apply to both newly established and already operating e-money and payment institutions (EMI and PI).

The amendments will introduce new and additional reporting requirements for EMIs and PIs. Most significant amendments are briefly summarized in this alert. Firstly, the amendments establish shorter term for reporting and submitting information notices to the Regulator (5 working days instead of currently applicable 15 days). Secondly, the amendments expand the list of information and documents to be reported to the Regulator.

Lithuanian Parliament (Seimas) has adopted two innovative Laws on Payments and Insurance that have transposed EU directives PSD2 and IDD

Lithuanian Parliament decided to promote more innovative and safer financial services and increased protection of insurance service customers by adopting two new Laws on Payments and Insurance.

The Seimas adopted the new recast Law on Insurance. The law aims at supplying honest, fair and professional services by insurance distributors to insurance service customers under optimum conditions and serving their interests. A consumer will be granted a possibility of getting more comprehensible information and consultations of a better quality. The Seimas also adopted the Law on Payments, which aims at promoting innovation in payments, competition, Fintech development, as well as enhancing the payment security, strengthening consumer protection. The Law provides for new payment intermediation services, - a consumer through its intermediary will be able to initiate a payment order from his or her own account at any payment service supplier.

New legislation will entitle the Bank of Lithuania to block websites illegally offering investment, insurance or financial services. This is particularly relevant where illegal ICOs are concerned

The Parliament of the Republic of Lithuania has voted in favour of the amendment of the Law on the Bank of Lithuania.

In accordance with the draft law, the Bank of Lithuania, having reasonable grounds to suspect that investment, insurance or other financial services are offered illegally on a particular website, will be entitled to instruct the hosting provider to remove and eliminate access to such information. The Bank of Lithuania will be entitled to provide such mandatory instructions to the hosting provider after receipt of a permission of the Regional Administrative Court of Vilnius Region (to be issued within 3 business days).

If the draft law is signed by the President, it will come into force as of 1 June 2018.

New rules regarding data subjects' consent storage term adopted

On 10 May 2018 Order of the Chief Archivist of Lithuania Regarding rules of the general documents storage term was approved.

The Chief Archivist stated that consent on personal data processing shall be stored one year after the expiration of the period of storage of the personal data for which consent was given.

Vilnius Regional Administrative Court restricted the right of three persons to occupy managerial positions in the public or private sector for four year

On 1 May 2018 Vilnius Regional Administrative Court's decision imposing personal liability on the cartel participants entered into force.

In 2017 the Competition Council referred to the Vilnius Administrative Court asking to impose sanctions on other five managers of the companies for their involvement in competition law breaches based on The Law on Competition, which stipulates that for the involvement in a prohibited agreement concluded between competitors or in the abuse of a dominant position, the manager of an undertaking may be restricted of the right to be the manager

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of a public and (or) private legal person, or a member of the collegial supervisory and (or) governing body of a public and (or) private legal person for a period of three to five years. On 1 May 2018 Vilnius Regional Administrative Court restricted the right of three managers to occupy managerial positions in the public or private sector for four years. Decision, imposing personal liability on the cartel participants was the first such in the Lithuanian case.

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