**CONTRACT**

**ON THE ACTIVITIES OF A MEMBER OF THE SUPERVISORY BOARD**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Date)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Place)

This Contract on the Activities of a Member of the Supervisory Board (the ‘**Contract**’) is concluded by and between Medicinos Bankas UAB, registration No. 112027077, seat address Pamėnkalnio g. 40, Vilnius (the ‘**Company**’), represented by [.......], and [.......], personal identification No. [.......], residing at [.......] (the ‘**Member of the Supervisory Board**’), hereinafter collectively referred to as the Parties and individually as the Party.

For the purpose of defining mutual rights and obligations, the Parties hereby agreed:

# SUBJECT MATTER AND TERM OF THE CONTRACT

1.1. The Parties agree that the Member of the Supervisory Board shall perform the duties of a member of the Supervisory Board of the Company in accordance with the requirements of the Law on Companies of the Republic of Lithuania, Law on Banks of the Republic of Lithuania, other laws of the Republic of Lithuania, Articles of Association of the Company, Rules of Procedure of the Supervisory Board and this Contract.

1.2. This Contract is not subject to the Labour Code of the Republic of Lithuania and other laws or regulations that govern and apply to employment relationships. The Parties confirm that this Contract establishes a civil legal relationship between the Member of the Supervisory Board and the Company. Nothing in this Contract may be construed as creating an employment relationship between the Parties. Accordingly, the Member of the Supervisory Board cannot be considered an employee of the Company and is not subordinate or accountable to the management bodies of the Company.

1.3. Pursuant to this Contract, the Member of the Supervisory Board acts only as a member of the Company’s Supervisory Board and assumes full responsibility for the performance of his/her functions as a member of the Company’s Supervisory Board and the proper performance of this Contract.

1.4. The term of this Contract depends on and is connected to the period during which the Member of the Supervisory Board holds the position of a member of the Supervisory Board of the Company. The Contract shall terminate upon the occurrence of at least one of the circumstances specified in paragraph 7.1.

# REMUNERATION AND RELATED MATTERS

2.1. The Company shall pay the Member of the Supervisory Board a remuneration for the performance of duties of a member of the Supervisory Board of the Company (the ‘**Remuneration**’). The Remuneration shall be [......] EUR [amount in words] [......] per calendar month.

* 1. The Remuneration provided for in paragraph 2.1 of this Contract includes all payable taxes and other possible expenses of the Member of the Supervisory Board, which are not reimbursed separately.
  2. The Remuneration to the Member of the Supervisory Board shall be paid for each month not later than the 4th day of the following month. If this day is a non-working day, the Remuneration shall be paid on the next working day.
  3. The Company deducts from the Remuneration all taxes due under the legal acts of the Republic of Lithuania, which the Company is obliged to calculate and deduct. The Remuneration shall be transferred to the bank account of the Member of the Supervisory Board specified in Section 9 of this Contract. The Remuneration may be transferred to another account if the Member of the Supervisory Board notifies the Company thereof in writing.
  4. The Company grants the right to the Member of the Supervisory Board to use its premises and communication equipment free of charge to the extent necessary to ensure that the Member of the Supervisory Board can participate in the meetings and perform the functions assigned to him/her. Other operating expenses of the Member of the Supervisory Board are not additionally reimbursed and are considered to be included in the Remuneration.

# LIABILITY, RIGHTS AND OBLIGATIONS OF THE MEMBER OF THE SUPERVISORY BOARD

3.1. The Member of the Supervisory Board must perform his/her duties himself/herself and may in no case assign or delegate all or part of his/her functions to other persons.

3.2. The Member of the Supervisory Board shall, among other things:

3.2.1. participate in the meetings of the Supervisory Board, except when it is not possible to do so for objective reasons, and to vote on the issues discussed at the meetings. If he/she is unable to attend the meeting of the Supervisory Board, the Member of the Supervisory Board must inform the Chairperson of the Supervisory Board and the Secretary of the meetings of the Supervisory Board in advance,

* + 1. The Member of the Supervisory Board shall always attend the meetings after getting acquainted with the agenda of the meeting and all information and documents provided to him/her in relation to the issues under consideration. The Member of the Supervisory Board shall actively participate in the discussion of the issues on the agenda of the meeting, state his/her position in writing or verbally on all the issues under discussion and submit reasoned proposals on the resolution of the issues under discussion,
    2. ensure that the decisions taken by the Company’s Supervisory Board comply with the applicable laws,
    3. immediately inform the Company about changes in the information related to his/her surname, declared and/or actual place of residence,
    4. immediately inform the Company and the shareholders if any member of the Supervisory Board does not comply with the requirements set for the members of the Supervisory Board by the Law on Banks and/or other legal acts of the Republic of Lithuania.
  1. The Member of the Supervisory Board clearly understands the significance of the Company’s activities as a credit institution, the importance of its good reputation in society and undertakes to follow the highest moral standards and always act in the Company’s interests and avoid conflicts of interest with the Company. In the event of a conflict between the interests of the Company and private interests of the Member of the Supervisory Board, the Member of the Supervisory Board undertakes to act exclusively in the interests of the Company in the given situation and shall immediately inform other members of the Supervisory Board and shareholders of the Company about such conflict of interest.
  2. In addition to the duties mentioned above, the Member of the Supervisory Board shall perform other duties of a member of the Supervisory Board provided for in the laws of the Republic of Lithuania and the Articles of Association of the Company.
  3. The Member of the Supervisory Board undertakes to perform his/her duties properly, to efficiently and objectively handle all issues that fall within the competence of the Supervisory Board and to follow the highest professional standards. The Member of the Supervisory Board shall ensure that the functions of the Supervisory Board provided for in the applicable laws and other legal acts and the Articles of Association of the Company are performed continuously.
  4. The Member of the Supervisory Board shall make every effort to ensure that his/her duties under the laws of the Republic of Lithuania are performed properly and diligently in a manner that is most profitable and efficient for the Company. In performing his/her duties and other obligations, the Member of the Supervisory Board must follow the principle of honesty, take into account the legitimate interests of the Company and be loyal to the Company.
  5. If there is any doubt as to whether certain tasks fall within the competence of the Member of the Supervisory Board, the Member of the Supervisory Board may request a prior opinion of the Chairperson of the Supervisory Board on this matter.
  6. The Member of the Supervisory Board shall immediately inform the members of the Supervisory Board and the Board and shareholders of the Company about any exceptional or other significant circumstances that have become known to him/her and may adversely affect the Company, its activities, assets or employees.
  7. If a pre-trial investigation is initiated, criminal proceedings are instituted against the Member of the Supervisory Board, or he/she acquires a criminal conviction, the Member of the Supervisory Board must immediately notify the Company’s shareholders thereof.

# CONFIDENTIALITY OBLIGATION

4.1. The Member of the Supervisory Board must maintain the confidentiality of any information that he/she becomes aware of and that relates to the Company and/or any shareholder(s) of the Company and/or its subsidiaries or affiliates and may not disclose such information to other persons or use it in his/her own personal interests (or for the benefit of third party(ies)). The Company defines in its internal legal acts which information of the Company is subject to confidentiality obligations.

4.2. During the effective period of this Contract and for an indefinite period after the Contract ends, the Member of the Supervisory Board shall keep confidential and shall not disclose the Company’s confidential information to any third party without the prior written consent of the Company.

4.3. The Member of the Supervisory Board shall have the right to disclose confidential information where such disclosure is required by applicable laws or in cases where the competent authority lawfully requires its disclosure.

# RESTRICTIONS ON COMPETITION

5.1. The Parties agree that during the effective period of this Agreement the Member of the Supervisory Board shall not be entitled to engage directly or indirectly in any activity that may compete with the Company’s activities (financial services), including (but not limited to) cases where (i) the Member of the Supervisory Board was or should have been aware that such activities were of a competitive nature, or (ii) there are reasons to believe that such activities performed by the Member of the Supervisory Board may harm the interests of the Company.

# LIABILITY

6.1. The Member of the Supervisory Board undertakes to indemnify the Company for losses incurred due to breach of the Contract and/or claims of third parties, including the Company’s shareholders, related to the activities of the Member of the Supervisory Board in the Company’s Supervisory Board or his/her performance, where such losses were caused to the Company by the actions/omissions of the Member of the Supervisory Board.

# TERMINATION OF THE CONTRACT

7.1. The Contract is considered terminated in any of the following circumstances:

* + 1. the General Meeting of Shareholders of the Company recalls/dismisses the Member of the Supervisory Board from the Supervisory Board,
    2. the Member of the Supervisory Board resigns from his/her current position as a member of the Supervisory Board in accordance with paragraph 7.4 of the Contract,
    3. the term for which the Member of the Supervisory Board has been elected to hold this position expires (provided that the Member of the Supervisory Board is not re-elected),
    4. the Bank of Lithuania passes a decision to remove the Member of the Supervisory Board from his/her current position.
  1. Upon termination of this Contract, the provisions of Sections 4, 6 of the Contract shall remain in full force and effect.
  2. The Member of the Supervisory Board shall be entitled to receive the Remuneration provided for in Section 2 of this Contract until the last day of his/her duties as a member of the Supervisory Board. In no case shall the Member of the Supervisory Board be paid a severance pay or other compensation.
  3. The Member of the Supervisory Board may at any time, at his/her own discretion, resign from the position of a member of the Supervisory Board, thereby terminating this Contract by giving a prior written notice of at least 14 days to the Company.
  4. Upon termination of the Contract, the Member of the Supervisory Board must immediately transfer to the Company all correspondence, documents, drafts, reports and similar letters related to the Company, as well as all assets of the Company in his/her possession, which were granted to the Member of the Supervisory Board for the performance of his/her duties under the Contract. This provision shall also apply to copies of all such documents and information. If the Company’s property is damaged while in the possession of the Member of the Supervisory Board or through to the fault of the Member of the Supervisory Board, he/she must immediately compensate the Company for the resulting damages. Such transfer of documents and property must be formalised by both Parties signing the Certificate of Transfer and Acceptance.
  5. The Company will inform the Register of Legal Entities about the revocation or resignation of the Member of the Supervisory Board, respectively, or about the end of the term of office of the Member of the Supervisory Board.

# FINAL PROVISIONS

8.1. The Contract shall enter into force upon signature by both Parties.

8.2. Any amendments to the Contract shall be valid only if they are made in writing and signed by the Parties.

8.3. The amount of the Remuneration of the Member of the Supervisory Board may be changed only by the Parties concluding an additional agreement to this Contract.

8.4. Notices sent by registered mail to the addresses of the Parties specified in Section 9 of this Contract shall be deemed to have been served three (3) working days after the day on which the document was delivered to the company providing postal services. Notices sent to the email addresses of the Parties specified in this Contract shall be deemed to have been delivered on the day on which they were sent, if the addressee has acknowledged receipt of the email. Notices served in person shall be deemed received on the day of delivery thereof.

8.5. The invalidity or unenforceability of any provision of the Contract shall not affect the validity or enforceability of other provisions of the Contract.

8.6. The Contract is subject to the laws of the Republic of Lithuania.

8.7. The place of performance of this Contract is the address of the registered office of the Company specified in Section 9 thereof.

8.7. The Parties shall endeavour to resolve all disputes arising under this Contract through negotiations. If the dispute cannot be resolved through negotiations, any such dispute, disagreement or claim arising out of or in connection with this Contract or its breach, termination or invalidity shall be settled in the courts of the Republic of Lithuania.

8.8. This Contract is executed in two (2) copies, one for each Party.

**9. SIGNATURES OF THE PARTIES:**

|  |  |
| --- | --- |
| Medicinos Bankas UAB | [.......] |
| Registration No. 112027077 | National identification No. [.......] |
| Pamėnkalnio g. 40, Vilnius | Address [.......] |
| Bank account No. [.......] | Bank account No. [.......] |
| Tel. [.......] | Tel. [.......] |
| Email [info@medbank.lt](mailto:info@medbank.lt) | Email [.......] |