

APPROVED BY
Order No V 2017/(1.7-260603)-02-90 of
the Chairman of the Board of the Bank
of Lithuania of 31 of March 2017
(version of Order of the Chairman of
the Board of the Bank of Lithuania
No V 2017/(1.7.E-260603)-02-233
of 22 December 2017)

REGULATIONS FOR THE SALE OF NUMISMATIC ITEMS OF THE BANK OF LITHUANIA TO DISTRIBUTORS OF NUMISMATIC ITEMS

CHAPTER I GENERAL PROVISIONS

1. The Regulations for the Sale of Numismatic Items of the Bank of Lithuania to Distributors of Numismatic Items define the mandatory requirements for the conclusion of contracts with legal persons for the distribution of collector euro and euro cent coins, collector euro and euro cent coin sets, commemorative euro and euro cent coins with the Lithuanian national side in a numismatic package, circulation euro and euro cent coin sets with the Lithuanian national side in a numismatic package issued by the Bank of Lithuania (hereinafter – numismatic items) (hereinafter – distribution contracts), the good repute criteria for the head of a legal person and the procedure for the sale of numismatic items to legal persons under a distribution contract.

2. The terms used in these Regulations – ‘distributors of numismatic items’, ‘collector euro coins’ and ‘commemorative euro coins’ – shall have the meaning as defined in the Regulations for the Sale of Numismatic Items of the Bank of Lithuania approved by Resolution of the Board of the Bank of Lithuania No 03-290 of 27 November 2014 on the approval of the Regulations for the Sale of Numismatic Items of the Bank of Lithuania.

CHAPTER II GOOD REPUTE CRITERIA FOR THE HEAD OF A LEGAL PERSON

3. The head of a legal person shall be of good repute where they:

3.1. have no conviction (or the conviction has expired or has been cleared) for a very serious or serious crime, or a crime or misdemeanour against civil service and public interest, property, property rights and interests, public safety, financial system, or have no conviction (or the conviction has expired or has been cleared) for a crime or misdemeanour committed in complicity, or where no conviction by final judgment in criminal proceedings has been delivered and enforced against them due to the reasons specified in Article 39(1) of Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC;

3.2. do not abuse alcohol, narcotic, toxic or psychotropic substances;

3.3. there are no other substantial circumstances due to which the repute of the head of a legal person could not be deemed good.

CHAPTER III

TERMS AND CONDITIONS OF THE CONCLUSION OF A DISTRIBUTION CONTRACT

4. Legal persons wishing to conclude a distribution contract shall submit to the Bank of Lithuania:

4.1. an application to become a distributor of numismatic items (Annex 1);

4.2. an extract from the legal person's registration certificate in Lithuanian or English, approved in accordance with legislation;

4.3. extracts in Lithuanian or English from the documents of incorporation of the legal person (articles of association and/or other documents of incorporation) approved and registered in accordance with legislation, which provide evidence that the legal person has the right to engage in retail and wholesale trade of numismatic items;

4.4. a document evidencing registration in the country of establishment as a value added tax (hereinafter – the VAT) payer (if a VAT payer);

4.5. (As amended by Order No V 2020/(1.7.E-260603)-02-26 of the Chairman of the Board of the Bank of Lithuania of 20 February 2020)

a declaration of the good repute of the head of the legal person (Annex 2);

4.6. other additional information requested by the Bank of Lithuania necessary for taking an informed decision regarding conclusion of a distribution contract.

5. Upon the change in information specified in paragraphs 3–4 herein during the examination of the application to become a distributor of numismatic items by the Bank of Lithuania and validity of the distribution contracts or where the Bank of Lithuania offers to purchase an unallocated part of a mintage to distributors in the case specified in sub-paragraph 13.2 herein, legal persons wishing to conclude a distribution contract or those who have concluded it, shall immediately notify the Bank of Lithuania thereof in writing.

CHAPTER IV

ADOPTION OF THE DECISION REGARDING CONCLUSION OF A DISTRIBUTION CONTRACT

6. The Bank of Lithuania shall examine applications of legal persons to become distributors of numismatic items in conjunction with other documents submitted, and shall notify the legal persons of its decision to either conclude or refuse to conclude a distribution contract within 15 business days of receipt of documents specified in paragraph 4 herein. Where the Bank of Lithuania refuses to conclude a distribution contract, the legal person shall be provided with the grounds for such a decision.

7. The Bank of Lithuania may refuse to conclude a distribution contract where:

7.1. the legal person is not engaged in retail and/or wholesale trade of numismatic items and does not intend to do so;

7.2. the head of the legal entity does not meet the good repute criteria;

7.3. there are reasonable grounds to believe that the legal person will fail to duly perform its obligations undertaken under the distribution contract.

8. When the Bank of Lithuania agrees to conclude a distribution contract with a legal person which intends to engage in retail and/or wholesale trade of numismatic items, that legal person shall, within 3 months of acquisition of the first numismatic item under the distribution contract concluded with the Bank of Lithuania, notify the Bank of Lithuania of the commencement and

methods of such an activity, as well as the retail chain.

9. The Bank of Lithuania shall have the right to either conclude or refuse to conclude distribution contracts with legal persons subject to the available share of unallocated mintage intended for distributors of numismatic items. Where the share of mintage intended for the distributors of numismatic items has not been allocated, the legal entities shall be offered to purchase the unallocated share of mintage intended for distributors of numismatic items available at the moment of submission of the application, in order of sequence according to the time of submission of the applications to become a distributor of numismatic items. The distribution contract shall be concluded indicating the desired percentage amount to be purchased by the distributor of numismatic items. Where the share of mintage intended for distributors of numismatic items has been allocated, the legal entity may be put on the waiting list of legal entities to be offered a distribution contract in order of sequence when the Bank of Lithuania has the share of unallocated mintage intended for distributors of numismatic items available.

CHAPTER V AMOUNT OF NUMISMATIC ITEMS SOLD TO DISTRIBUTORS OF NUMISMATIC ITEMS

10. (As amended by Order No V 2019/ (1.7.E-260603)- 02-58 of the Chairman of the Board of the Bank of Lithuania of 3 June 2019)

The percentage amount of numismatic items, terms and conditions of purchase and payment methods shall be negotiated individually with each legal person in whose respect the Bank of Lithuania has adopted a decision to conclude a distribution contract and shall be set out in detail in the distribution contract prior to signing it. Purchasing the specified amount of each numismatic item and payment no later than within 20 business days of the issue of the numismatic item into circulation or the first day of its sale shall be mandatory conditions of the distribution contract for the distributors of numismatic items. Distributors of numismatic items, contractually obligated to purchase no less than 5% of the total mintage of each new numismatic item, are entitled to purchase the amount of each numismatic item indicated in the distribution contract in parts by making separate purchases. The amount of the numismatic item purchased with the first purchase shall not amount to less than a third of the total amount of the purchased numismatic item, and a distributor of numismatic items shall purchase the total amount of the numismatic item by making no more than three purchases and pay for them no later than within 60 business days of the issue of the numismatic item into circulation or the first day of its sale.

11. Distributors of numismatic items shall be allocated a maximum of 30% of the mintage of a new issue of numismatic items.

12. Distributors of numismatic items shall be obliged to purchase at least 1% but no more than 15% of the total mintage of each new numismatic item to be issued. The same percentage amount (in integers) shall be set for all numismatic items being purchased. In the case specified in subparagraph 13.1.1 herein, a distributor of numismatic items shall be able to purchase more than 15% of the total mintage of the numismatic item.

13. Where a distributor of numismatic items or the Bank of Lithuania terminates a distribution contract, the entire share of unallocated mintage intended for distributors of numismatic items shall be offered as follows:

13.1. for distributors of numismatic items:

13.1.1. according to the applications submitted, indicating the desired amount to be purchased, where the distribution contract with the former distributor of numismatic items was terminated no more than 40 business days prior to the expected date of release of the numismatic item into circulation or the first day of sale.

13.1.2. according to distribution contracts, where the distribution contract with the former distributor of numismatic items was terminated more than 40 business days prior to the expected date of release of numismatic item into circulation or the first date of sale;

13.2. for legal persons on the waiting list, where no distributor of numismatic items requests the unallocated share of mintage of numismatic items, by concluding distribution

contracts with these legal persons;

13.3. sold in the electronic shop of the Bank of Lithuania and/or in the cash offices of the Bank of Lithuania, where none of the legal entities on the waiting list wishes to purchase the unallocated share of the mintage of numismatic items, by allocating it to the e-shop and the cash offices of the Bank of Lithuania in equal portions.

14. Where, in the cases specified in subparagraphs 13.1.1 and 13.1.2 herein, the unallocated share of the mintage is requested by more than one distributor of numismatic items and the total amount of the numismatic items desired by them exceeds the unallocated share of the mintage of the numismatic item, this share shall be allocated to them by first allocating the desired amount to those distributors of numismatic items that applied for purchasing the largest amount of the numismatic items. Where two or more distributors of numismatic items applied for purchasing the same amount of numismatic items, the desired amount to be purchased shall first be allocated to the distributor that applied first. Where the unallocated amount of the mintage of a numismatic item to be allocated as specified in this paragraph is smaller than the desired amount of the numismatic item, it is offered purchasing the unallocated amount of the numismatic item.

15. Numismatic items specified in paragraph 13 herein shall be offered for purchase to the distributors of numismatic items and/or legal entities on the waiting list where the deadline for submission of an application for purchase thereof expires more than 5 business days prior to the expected date of release of the numismatic item into circulation or the first date of sale.

16. The regulations for the sale of numismatic items specified in paragraph 13 herein to distributors of numismatic items and legal persons on the waiting list shall be set forth by a decree of the Director of the Cash Department of the Bank of Lithuania.

Annex 1
to the Regulations for the Sale of Numismatic
Items of the Bank of Lithuania to Distributors of
Numismatic Items

(Application Form template)

(name of legal person, ID code)

(registered office address, e-mail, contact phone of legal person)

APPLICATION TO BECOME A DISTRIBUTOR OF NUMISMATIC ITEMS

DD/MM/20...

(city)

1. I wish to become a distributor of numismatic items issued by the Bank of Lithuania.
2. I hereby present information on the retail and/or wholesale trade of numismatic items carried out or intended to be carried out by the legal person under my management:
 - 2.1. methods of sale of numismatic items (e.g. stationary trade, electronic trade);
 - 2.2. network (exact addresses of the legal entity's trading venues in the Republic of Lithuania and foreign countries; trading venues the partners of the legal entity trade or intend to trade at, and other information on the trading network);
 - 2.3. total value of the sales volumes of numismatic items (listing all of them) over the last three years, specifying separately the volumes of the numismatic items of the Republic of Lithuania and of foreign countries, if such data can be singled out*;
 - 2.4. other related information.

(position of the head of the legal person)

(signature)

(name and surname)

***This information shall only be provided where the legal person wishing to become a distributor of numismatic items is engaged in retail and/or wholesale trade of numismatic items during the submission of an application to become a distributor of numismatic items.**

Annex 2
to the Regulations for the Sale of Numismatic
Items of the Bank of Lithuania to Distributors of
Numismatic Items

(As amended by Order No V 2020/(1.7.E-260603)-02-26
of the Chairman of the Board of the Bank of Lithuania of 20 February 2020)

DECLARATION OF GOOD REPUTE OF THE HEAD OF THE LEGAL ENTITY

DD/MM/YYYY

(city)

I, _____, hereby certify that I meet the criteria of good repute laid down in the Regulations for the Sale of Numismatic Items of the Bank of Lithuania to Distributors of Numismatic Items approved by Order No V-2017/(1.7-2606030)-02-90 of the Chairman of the Board of the Bank of Lithuania of 31 March 2017 on the approval of the Regulations for the Sale of Numismatic Items of the Bank of Lithuania to Distributors of Numismatic Items.

I hereby certify that I have no conviction for a very serious or serious crime, or a crime or misdemeanour against civil service and public interest, property, property rights and interests, public safety, the financial system, and have no conviction for a criminal offence or misdemeanour committed in complicity, and no conviction by final judgment in criminal proceedings has been delivered and enforced against me due to the reasons specified in Article 39(1) of Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC, and have no conviction for the aforementioned offences or criminal acts that has not yet expired or has not been reversed.

I also certify that I do not abuse alcohol, narcotic, toxic or psychotropic substances.

*(position of the head
of the legal person)*

(signature)

(name and surname)