

# Past Policy Updates

This page shows important changes that were made to the PayPal service, its User Agreement, or other policies.

## Policy Updates

Last update: September 11, 2018

This page shall serve as advance information for PayPal Users with regards to important upcoming changes of PayPal Services, the PayPal User Agreement, and other policies (collectively, the “**Legal Agreements**”).

Please read this document carefully. PayPal will change the Legal Agreements with effect to **December 11, 2018**.

You do not need to do anything to accept the changes as they will automatically come into effect on **December 11, 2018**.

Should you decide you do not wish to accept the changes, you can notify us prior to August 31, 2018 to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

All changes and updates to the Legal Agreements are on this page highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

Amendments made for linguistic adjustment, to correct or remove orthographical and grammatical mistakes, or changes to the formatting are not highlighted. This does also apply where we have corrected or standardized numbering and references.

## Updates to the PayPal User Agreement

We have made the following amendments to our PayPal User Agreement:

### 3.1. Linking Your Funding Source

At the end of clause 3.1. we have extended the previous last sentence and added another one to explain what we can do with regards to updates to your Funding Source information:

### 3.1. Linking Your Funding Source

You can link or unlink a credit card or a bank account as a Funding Source for your PayPal Account. Please keep your Funding Source information current (i.e. credit card number and expiration date). If this information changes, we may update it *at our sole discretion* without any action on your part *according to information provided by your bank or card issuer and third parties (including but not limited to our financial services partners and the card networks)*. *If you do not want us to update your Funding Source information, you may contact your bank or card issuer to request this or remove the Funding Source in your Account Profile. If we update your Funding Source information, we may retain any preference setting attached to it.*

## 4.6. Refused Transactions

Again at the end of a clause, in this case at the end of clause 4.6., we have added a description of which actions we take in the cases we are describing in clause 4.6.:

### 4.6. Refused Transactions

When you send E-Money and although the E-Money is available to the recipient, the recipient is not required to accept it. In case the recipient denies, refunds, or does not accept the payment within 30 days, we shall credit the amount to your PayPal Account. If you have used your credit card as Funding Source, we shall credit the amount to your credit card. You agree that you will not hold PayPal liable for any damages resulting from a recipient's decision to not to accept a payment made through the PayPal Services. *We will:*

- a. *Quickly return any refunded or denied payment to your Balance or, as appropriate, your original Funding Source (in some case instead we may decide to not charge your original Funding Source); and*
- b. *Return any unclaimed payment to your Balance within 30 days after the date you initiated the payment.*

## 6b. PayPal PLUS

Section 6b. has seen the most extensive changes, mainly due to the General Data Protection Regulation (GDPR). What has previously been the entire Section 6b., is now clause "**6b.1.**

**General Principles**" (we haven't changed the text) and is followed by clauses 6b.2., 6b.3., and 6b.4. dealing with data protection matters when it comes to PayPal PLUS:

### *6b.2. Data Processing Schedule*

*This Data Processing Schedule applies only to the extent that PayPal acts as a processor or Sub-processor to the Merchant. Capitalized terms used but not defined in this Section 6b. shall have the meaning set out in the User Agreement*

#### *a. Definitions and Interpretation*

*The following terms have the following meaning when used in this Section 6b.:*

*"Customer" means a European Union customer of Merchant who uses the PayPal Services and for the purposes of this clause 6b.2., is a data subject.*

*"Customer Data" means the personal data that the Customer provides to Merchant and Merchant passes on to PayPal through the use by the Merchant of the PayPal Services.*

*"Data Controller" (or simply "Controller") and "Data Processor" (or simply "Processor") and "Data Subject" have the meanings given to those terms under the Data Protection Laws.*

*"Data Protection Laws" means General Data Protection Regulation (EU) 2016/679 (GDPR) and any associated regulations or instruments and any other data protection laws, regulations, regulatory requirements and codes of conduct of EU Member States applicable to PayPal's provision of the PayPal Services.*

*"Personal Data" has the meaning given to it in the Data Protection Laws.*

*"Processing" has the meaning given to it in the Data Protection Laws and "process", "processes" and "processed" will be interpreted accordingly.*

*"Sub-processor" means any processor engaged by PayPal and/or its affiliates in the processing of personal data.*

#### *b. Processing of Personal Data in Connection with the Services*

##### *i. Merchant data controller*

*With regard to any Customer Data to be processed by PayPal in connection with this User Agreement, Merchant will be a controller and PayPal will be a processor in respect of such processing. Merchant will be solely responsible for determining the purposes for which and the manner in which Customer Data are, or are to be, processed.*

##### *ii. Merchant written instructions*

*PayPal shall only process Customer Data on behalf of and in accordance with Merchant's written instructions. PayPal and Merchant agree that this clause 6b.2. is Merchant's complete and final written instruction to PayPal in relation to Customer Data. Additional instructions outside the scope of this clause 6b.2. (if any) require prior written agreement between PayPal and Merchant, including agreement of any additional fees payable by Merchant to PayPal for carrying out such additional instructions.*

*Merchant shall ensure that its instructions comply with all applicable laws, including Data Protection Laws, and that the processing of Customer Data in accordance with Merchant's instructions will not cause PayPal to be in breach of Data Protection Laws. The provisions of this clause 6b.2. are subject to the provisions of clause 6b.2.n. on Security. Merchant hereby instructs PayPal to process Customer Data for the following purposes:*

- *As reasonably necessary to provide the PayPal services to Merchant and its Customer;*
- *After anonymizing the Customer Data, to use that anonymized Customer Data, directly or indirectly, which is no longer identifiable personal data, for any purpose whatsoever.*

*c. PayPal cooperation*

*In relation to Customer Data processed by PayPal under this Agreement, PayPal shall co-operate with Merchant to the extent reasonably necessary to enable Merchant to adequately discharge its responsibility as a controller under Data Protection Laws, including without limitation as Merchant requires in relation to:*

- *Assisting Merchant in the preparation of data protection impact assessments to the extent required of Merchant under Data Protection Laws; and*
- *Responding to binding requests from data protection authorities for the disclosure of Customer Data as required by applicable laws.*

*d. Scope and Details of Customer Data processed by PayPal*

*The objective of processing Customer Data by PayPal is the performance of the PayPal Services pursuant to the User Agreement. PayPal shall process the Customer Data in accordance with the specified duration, purpose, type and categories of data subjects as set out in clause 6b.4. (Data Processing of Customer Data).*

*e. Compliance with Laws*

*PayPal and Merchant will at all times comply with Data Protection Laws.*

*f. Correction, Blocking and Deletion*

*To the extent Merchant, in its use of the PayPal services, does not have the ability to correct, amend, block or delete Customer Data, as required by Data Protection Laws, PayPal shall comply with any commercially reasonable request by Merchant to facilitate such actions to the extent PayPal is legally permitted to do so. To the extent legally permitted, Merchant shall be responsible for any costs arising from PayPal's provision of such assistance.*

*g. Data Subject Requests*

*PayPal shall, to the extent legally permitted, promptly notify Merchant if it receives a request from a Customer for access to, correction, amendment or deletion of that Customer's personal data. Merchant shall be responsible for responding to all such requests. If legally permitted, PayPal shall provide Merchant with commercially reasonable cooperation and assistance regarding such Customer's request and Merchant shall be responsible for any costs arising from PayPal's assistance.*

*h. Training*

*PayPal undertakes to provide training as necessary from time to time to the PayPal personnel with respect to PayPal's obligations in this Section 6b. to ensure that the PayPal personnel are aware of and comply with such obligations.*

*i. Limitation of Access*

*PayPal shall ensure that access by PayPal's personnel to Customer Data is limited to those personnel performing PayPal Services in accordance with the User Agreement.*

*j. Sub-processors*

*Merchant specifically authorizes the engagement of members of the PayPal Group as Sub-processors in connection with the provision of the PayPal Services. In addition, Merchant generally authorizes the engagement of any other third parties as Sub-processors in connection with the provision of the PayPal Services. When engaging any Sub-processor, PayPal will execute a written contract with the Sub-processor, which contains terms for the protection of Customer Data which are no less protective than the terms set out in this Section 6b. PayPal shall make available to Merchant a current list of Sub-processors for the respective PayPal Services with the identities of those Sub-processors.*

*k. Audits and Certifications*

*Where requested by Merchant, subject to the confidentiality obligations set forth in the User Agreement, PayPal shall make available to Merchant (or Merchant's independent, third-party auditor that is not a competitor of PayPal or any members of PayPal or the PayPal Group) information regarding PayPal's compliance with the obligations set forth in this Section 6b. in the form of the third-party certifications and audits (if any) set forth*

*in the Privacy Policy set out on the PayPal Website. Merchant may contact PayPal in accordance with the User Agreement to request an on-site audit of the procedures relevant to the protection of personal data. Merchant shall reimburse PayPal for any time expended for any such on-site audit at PayPal's then-current professional PayPal services rates, which shall be made available to Merchant upon request. Before the commencement of any such on-site audit, Merchant and PayPal shall mutually agree upon the scope, timing, and duration of the audit in addition to the reimbursement rate for which Merchant shall be responsible. All reimbursement rates shall be reasonable, taking into account the resources expended by PayPal. Merchant shall promptly notify PayPal with information regarding any non-compliance discovered during the course of an audit.*

*l. Security*

*PayPal shall, as a minimum, implement and maintain appropriate technical and organizational measures as described in clause 6b.3. to keep Customer Data secure and protect it against unauthorized or unlawful processing and accidental loss, destruction or damage in relation to the provision of the PayPal Services. Since PayPal provides the PayPal Services to all Merchants uniformly via a hosted, web-based application, all appropriate and then-current technical and organizational measures apply to PayPal's entire customer base hosted out of the same data center and subscribed to the same service. Merchant understands and agrees that the technical and organizational measures are subject to technical progress and development. In that regard, PayPal is expressly permitted to implement adequate alternative measures as long as the security level of the measures is maintained in relation to the provision of the PayPal Services.*

*m. Security Incident Notification*

*If PayPal becomes aware of a Security Incident in connection with the processing of Customer Data, PayPal will, in accordance with Data Protection Laws: (a) notify Merchant of the Security Incident promptly and without undue delay; (b) promptly take reasonable steps to minimize harm and secure Customer Data; (c) describe, to the extent possible, reasonable details of the Security Incident, including steps taken to mitigate the potential risks; and (d) deliver its notification to Merchant's administrators by any means PayPal selects, including via email. Merchant is solely responsible for maintaining accurate contact information and ensuring that any contact information is current and valid.*

*n. Deletion*

*Upon termination or expiry of the User Agreement, PayPal will delete or return to Merchant all Customer Data processed on behalf of the Merchant, and PayPal shall delete existing copies of such Customer Data except where necessary to retain such Customer Data strictly for the purposes of compliance with applicable law.*

*o. Data Portability*

*Upon any termination or expiry of this Agreement, PayPal agrees, upon written request from Merchant, to provide Merchant's new acquiring bank or payment service provider ("Data Recipient") with any available credit card information including personal data relating to Merchant's Customers ("Card Information"). In order to do so, Merchant must provide PayPal with all requested information including proof that the Data Recipient is in compliance with the Association PCI-DSS Requirements and is level 1 PCI compliant. PayPal agrees to transfer the Card Information to the Data Recipient so long as the following applies: (a) Merchant provides PayPal with proof that the Data Recipient is in compliance with the Association PCI-DSS Requirements (Level 1 PCI compliant) by providing PayPal a certificate or report on compliance with the Association PCI-DSS Requirements from a qualified provider and any other information reasonably requested by PayPal; (b) the transfer of such Card Information is compliant with the latest version of the Association PCI-DSS Requirements; and (c) the transfer of such Card Information is allowed under the applicable Association Rules, and any applicable laws, rules or regulations (including Data Protection Laws).*

#### *6b.3. Technical and Organizational Measures*

*The following technical and organizational measures will be implemented:*

- a. Measures taken to prevent any unauthorized person from accessing the facilities used for data processing;*
- b. Measures taken to prevent data media from being read, copied, amended or moved by any unauthorized persons;*
- c. Measures taken to prevent the unauthorized introduction of any data into the information system, as well as any unauthorized knowledge, amendment or deletion of the recorded data;*
- d. Measures taken to prevent data processing systems from being used by unauthorized person using data transmission facilities;*
- e. Measures taken to guarantee that authorized persons when using an automated data processing system may access only data that are within their competence;*
- f. Measures taken to guarantee the checking and recording of the identity of third parties to whom the data can be transmitted by transmission facilities;*
- g. Measures taken to guarantee that the identity of the persons having had access to the information system and the data introduced into the system can be checked and recorded ex post facto at any time and by any authorized person;*
- h. Measures taken to prevent data from being read, copied, amended or deleted in an unauthorized manner when data are disclosed and data media transported;*

i. *Measures taken to safeguard data by creating backup copies.*

*6b.4. Data Processing of Customer Data*

a. *Categories of data subjects*

*Customer Data – The personal data that the Customer provides to Merchant and Merchant passes on to PayPal through the use by the Customer of the PayPal Services.*

b. *Subject-matter of the processing*

*The payment processing services offered by PayPal which provides Merchant with the ability to accept credit cards, debit cards, and other payment methods on a website or mobile application from Customers.*

c. *Nature and purpose of the processing*

*PayPal processes Customer Data that is sent by the Merchant to PayPal for purposes of obtaining verification or authorization of the Customer's payment method as payment to the Merchant for the sale goods or services.*

d. *Type of personal data*

*Customer Data – Merchant shall inform PayPal of the type of Customer Data PayPal is required to process under this User Agreement. Should there be any changes to the type of Customer Data PayPal is required to process then Merchant shall notify PayPal immediately. PayPal processes the following Customer Data, as may be provided by the Merchant to PayPal from time to time:*

- *Full name*
- *Date of birth*
- *Home address*
- *Shipping address*
- *Work address*
- *Billing address*
- *Email address*
- *Telephone number*
- *Fax number*

- *Government ID number*
- *Bank account number and bank routing number*
- *Financial account number*
- *Card or payment instrument type*
- *Card Primary Account Number (PAN) or Device-specific Primary Account Number (DPAN)*
- *Card Verification Value (CVV)*
- *Card expiration date*
- *Business tax ID*
- *Username*
- *Password*
- *IP address*
- *Device Data*
- *Browser data.*

e. *Special categories of data (if relevant)*

*The transfer of special categories of data is not anticipated.*

f. *Duration of Processing*

*The term of the User Agreement.*

## **8.2. Currency Conversion**

We have amended the wording in clause 8.2. and are now – hopefully more clearly than before – referring to a "transaction exchange rate":

### 8.2. Currency Conversion

*Where a currency conversion is required, it will be completed at the transaction exchange rate we set for the relevant currency exchange.*

*The transaction exchange rate is adjusted regularly and includes a Currency Conversion Fee applied and retained by us on a base exchange rate to form the rate applicable to your conversion. The based base exchange rate is set on the basis of rates within the wholesale currency markets, or if required by law or regulation, at the relevant government reference rate(s), in each case on the conversion date or the prior business day.*

*The transaction exchange rate applied to your conversion may be applied immediately and without notice to you.*

The “Currency Converter” tool can be accessed through your PayPal Account and used to see what *transaction* exchange rates apply for certain currency exchanges at the time you use the tool.

Where a currency conversion is offered by PayPal *to you when you make your transaction* (e.g. at the point of sale), you will be shown the *transaction* exchange rate that will be applied to the transaction before you proceed with your Authorization of the payment transaction. By proceeding with your Authorization of the payment transaction you are agreeing to the currency conversion on the basis of *the transaction exchange shown*.

*Where your payment is funded by Bank or Credit Card and involves a currency conversion by PayPal, by entering into this Agreement you consent to and authorize PayPal to convert the currency in place of your Bank or Credit card issuer.*

*Depending on the type of Funding Source used for your payment you may opt out of a currency conversion by PayPal before you complete your payment during checkout, in which case PayPal has no liability to you for your use of other currency conversion options.*

Where a currency conversion is offered at the point of sale by the Merchant, not by PayPal, and you choose to Authorize the payment transaction on the basis of the Merchant's exchange rate and charges, PayPal has no liability to you for such currency conversion by a Merchant.

*Where your payment is funded by credit card and involves a currency conversion, by entering into this User Agreement you consent to and Authorize PayPal to convert the currency in place of your credit card issuer.*

Where transactions are funded with direct debit, we will, unless we have a special agreement with you, always debit your bank account in euros (EUR) and, if required for the transaction, offer a currency conversion.

*If you receive a payment in a currency other than the primary currency of your PayPal Account from anyone who doesn't have a PayPal Account, the payment amount will be converted into the primary currency of your PayPal Account by PayPal for you at the*

*time the payment is made, in accordance with this Section 8.2. (except where otherwise agreed by PayPal) and you agree to bear the Currency Conversion Fee at section A4.1. of Schedule 1 of this User Agreement (which is included in the transaction exchange rate you pay), before any other transaction fees apply.*

## **10.2. Actions by PayPal**

In clause 10.2., we have removed the last paragraph

*Unless otherwise directed by us, you must not use or attempt to use your Payment Instrument or PayPal Account while it is suspended or has been closed. You must ensure that all agreements with Merchants or other third parties that involve third party initiated payments (including Pre-approved Payments) set up from your PayPal Account are cancelled immediately upon the termination, suspension or closure of your PayPal Account. You remain liable under this User Agreement in respect of all charges and other amounts incurred through the use of your PayPal Account at any time, irrespective of termination, suspension or closure.*

in its entirety. If we close or suspend your PayPal Account, you cannot access it and this is our responsibility, not yours.

## **14.2. ECC-Net, CSSF and ODR**

In clause 14.2. we have updated the hyperlink to the complaint portal of the European Consumer Centre (ECC).

## **16. Definitions**

In Section 16., we have removed the useless numbering (as we've never referred to it anyway) and some redundant definitions without proper benefit ("... has the meaning attributed to it in clause XY.").

## **A2. Fees for Personal Transactions**

When sending a Personal Transaction, the sender will pay the Fee.

The Fee for a Personal Transaction will be shown at the time of payment.

## A2.1. Fees for Domestic Personal Transactions

Activity	Fees
Sending a Domestic Personal Transaction payment	Free (when no currency conversion is involved)

## A2.2. Fees for Cross-Border Personal Transactions

### A2.2.1 Cross Border Personal Transaction payments sent to the EEA in Euro or Swedish Krona

Activity	Fee
Sending a Domestic Personal Transaction payment to the EEA in Euro or Swedish Krona	Free (when no currency conversion is involved)

### A2.2.2 Other Cross-Border Personal Transactions

To determine the Fees for Cross-Border Personal Transactions sent to a User in a specific country please follow the steps below:

1. Find the country and related country group, in which the recipient's registered address is located (see clause A1.4. for further reference or ask the recipient if you are not sure) (second column).
2. Then find the applicable Personal Transaction payment Fee in the third, fourth, and fifth columns.

FEES FOR CROSS-BORDER PERSONAL TRANSACTIONS				
Activity	Country Group in which recipient's Account is registered	Fee for transaction amounts of: <sup>^</sup>		
		Amount sent in euros (EUR)		
		EUR 0.00 – 49.99	EUR 50.00 – 99.99	EUR 100.00+
Sending a Cross Border Personal Transaction payment	Northern Europe, North America, Europe I, Europe II	EUR 0.99 †	EUR 1.99 †	EUR 1.99 †
	LATAM, APAC, Rest of World	EUR 0.99 †	EUR 1.99 †	EUR 3.99 †

<sup>^</sup>If the transaction is funded in a currency other than EUR, it will be converted to an equivalent amount in EUR for rating, calculated using the prevailing base exchange rate.

†If funded in a foreign currency, then a comparable amount in that currency.

#### **A4.1. Currency Conversion Fee**

According to the change in clause 8.2., we are now referring to the *transaction exchange rate* in clause A4.1. as well. Otherwise, we haven't touched this.

#### **Update to the PayPal Buyer Protection Policy**

In the PayPal Buyer Protection Policy, we have removed the last two bullet points in clause 3.1. and amended the wording as follows:

##### **3.1. Payment methods**

The Buyer has purchased an item and paid for it;

- Using PayPal from a registered PayPal Account, or
- Using *PayPal, "Kauf auf Rechnung", Kreditkarte oder Lastschrift* on the German eBay website [www.ebay.de](http://www.ebay.de) (please note the specific requirements in clause 5.3.); or
- Using the PayPal payment upon installment service ("Ratenzahlung Powered by PayPal").

Other than that, we have not applied further changes to the PayPal Buyer Protection Policy.

#### **Updates to the General Terms for Kauf auf Rechnung ("Payment upon Invoice")**

In the General Terms for Kauf auf Rechnung ("Payment upon Invoice"), we have added a sentence at the end of 1. and extended the wording of 2. as follows:

##### **1. How Payment upon Invoice works**

Payment upon Invoice is a PayPal service for merchants. If you select Payment upon Invoice as a payment method, the respective merchant assigns their claim for the purchase price to PayPal (Europe) S.à r.l. et Cie, S.C.A. ("PayPal"). The merchant

remains your contractual partner. *You may still exercise your contractual rights against the merchants. Payments to discharge your obligations can only be made to PayPal.*

## 2. Payment obligation and dunning fees

You are obliged to pay the purchase price to PayPal. *If you fail to fulfill your payment obligation until due date, PayPal is entitled to claim a lump-sum dunning fee as damage caused by default. Your right to prove that lesser damage has been caused remains unaffected. Dunning fees amount to EUR 4.70 for the first and EUR 4.70 for the second dunning (EUR 9.40 in total for both), which we send after you have been put in default. Further collection charges may apply.*

The remainder of the terms has not been amended.

## Policy Updates

Last update: May 31, 2018

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Please read this document carefully. PayPal will change the Legal Agreements with effect to **August 31, 2018**.

You do not need to do anything to accept the changes as they will automatically come into effect on **August 31, 2018**.

Should you decide you do not wish to accept the changes, you can notify us prior to August 31, 2018 to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

All changes and updates to the Legal Agreements are on this page highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

Amendments made for linguistic adjustment, to correct or remove orthographical and grammatical mistakes, or changes to the formatting are not highlighted. This does also apply where we have corrected or standardized numbering and references.

## **Updates to the PayPal User Agreement**

We are making the following updates to the PayPal User Agreement:

### **3.7. No Preferred Funding Source Selected/Available**

Since Bank transfer is no longer available as a Funding Source if a Preferred Funding Source has not been selected or if your Preferred Funding Source is unavailable, we have amended the wording of clause 3.7. accordingly to reflect this change:

If you have not selected a Preferred Funding Source or if your Preferred Funding Source is unavailable, PayPal will obtain E-Money in your Balance to cover your Payment Order from the following sources in the following order to the extent available:

1. Special Funding Agreements (see clause 3.5.),
2. Pre-existing Balance
3. Default Funding Sources used in the order *of first Bank account and then credit card.*

### **5.4. Presentation of PayPal Services / 5.5. No Surcharging**

We have restructured our previous clause 5.4. which applied to Merchants (and still continues to do so) in a way that this clause has been split in two clauses and the wording around surcharging (which is now to be found in the new clause 5.5.) has been sharpened:

#### **5.4. *Presentation of PayPal Services***

*As a Merchant in representations or in public communications to your customers , you shall not mischaracterize or disparage the PayPal Services as a payment method.*

*If you as a Merchant enable your customers to pay you using the PayPal Services, you shall treat the service marks or trademarks of PayPal at least at par with other payment methods offered.*

#### **5.5. *No Surcharging***

*As a Merchant, you shall not surcharge for the use of the PayPal Services, including without limitation additional “services fees”, higher shipping costs compared to the shipping costs when other payment methods are used, or any other additional fees or charges you charge to your customers for using the PayPal Services.*

*Surcharging is a Prohibited Activity according to Section 9. below (see clause 9.1.12.).*

The numbering of the subsequent clauses in Section 5. has been adjusted accordingly. The clauses have not been changed regarding their content or wording.

## **6.1. How to Withdraw/Redeem E-Money**

In clause 6.1., we have replaced the potentially unclear wording of “primary currency” with “original opening currency”:

You may withdraw funds by electronically transferring them to your bank account. Withdrawing E-Money from your PayPal Account to your bank account is equal to redeeming E-Money into euros (EUR).

If you withdraw

1. a Balance held in a currency other than the *original opening* currency of your PayPal Account, or
2. to a bank account held in a currency other than the *original opening* currency of your PayPal Account

you will be charged a Currency Conversion Fee as set out in clause A3.1.1. of Schedule 1 to convert it to your primary currency Balance (pursuant to clause 8.2.).

The original opening currency of your Account is euro (EUR).

See also clause 6.4. if your PayPal Account holds a Balance in multiple currencies.

## **6.4. Withdrawing Money in Different Currencies**

Subsequent to the changed wording in clause 6.1., we are now also using the term “original opening currency” in clause 6.4. accordingly:

### **6.4. Withdrawing Money in Different Currencies**

If you have Balances in different currencies, you will be able to chose from those when you withdraw funds, but, unless otherwise agreed, the withdrawal will take place in the *original opening* currency of your PayPal Account.

See clause 6.1. for how you may be charged a Currency Conversion Fee to convert from or into the *original opening currency* of your PayPal Account when withdrawing your Balance.

## **9.1. Restricted Activities**

As announced in the new clause 5.5., we have added surcharging for the use of the PayPal Services as a payment method as a new Restricted Activity to the list in clause 9.1.:

### **9.1.12. Surcharge for the use of the PayPal Services (see clause 5.5. above);**

The numbering of the subsequent sub-clauses has been adjusted accordingly. The clauses have not been changed regarding their content or wording.

## 14.2. ECC-Net, CSSF and ODR

In clause 14.2., we have changed the way we display the available options to escalate a complaint you may have to make about us (while we of course wish this will never be required):

<b><i>Institution</i></b>	<b><i>Description</i></b>	<b><i>Contact</i></b>
<i>ECC-Net</i>	<i>European Consumer Centre</i>	<a href="http://ec.europa.eu/consumers/ecc/index_de.htm">http://ec.europa.eu/consumers/ecc/index_de.htm</a>
<i>CSSF</i>	<i>Authority responsible for the prudential supervisions of companies in the financial sector in Luxembourg</i>	<i>CSSF – Commission de Surveillance du Secteur Financier</i> <i>283 Route d’Arlon</i> <i>1150 Luxembourg</i> <i>Luxembourg</i>  <a href="http://www.cssf.lu/de">http://www.cssf.lu/de</a>
<i>Online Dispute Resolution (ODR)</i>	<i>Online dispute resolution portal of the European Union</i>	<a href="https://ec.europa.eu/consumers/odr">https://ec.europa.eu/consumers/odr</a>

## Schedule 1: Table of Fees

In Schedule 1: Table of Fees, we have applied the most far reaching changes.

### A1.4. Country Groups

The definitions and list of Country Groups has been moved from previously being clause A2.2.2. to now being clause A1.4. and to appear in the “new” Section A1. General and Definitions, where it belongs.

## A2. Fees for Personal Transactions

In the introduction of Section A2., we have removed the definition of a “Mobile Payment” as this distinction has become redundant.

### A2.1. Fees for Domestic Personal Transaction

In clause A2.1., we have changed the way we display the Fees for Domestic Personal Transactions:

### fees for domestic personal transaction

Funding Source	Fees	
Balance	free	
Bank account	free	
	Transactions in EUR or SEK	all other currencies
All other Funding Sources	free	1.90% plus Fixed Fee (charged in the currency in which your payment is received)

### A3. Commercial Transactions

In Section A3., we have completely overworked and simplified our Fee structure for Commercial Transaction to reflect our platform approach – the same Fees will now apply, irrespective of how a Commercial Transaction is received:

#### A3.1. Fees for Receiving Domestic Transactions

PayPal shall charge a Fee for receiving Domestic Transactions in your Account a Variable Fee in amount equal to **2.49%** of the respective payment transaction amount plus Fixed Fee, *which applies in the respective transaction currency as set out in clause A1.3.2. above – this does also apply for transactions received via PayPal PLUS (see clause 6b. above).*

**“Merchant Rate”** may be granted only upon separate application by a merchant and will be evaluated on a case-by-case basis and requires *inter alia* qualifying monthly transaction volume, an average shopping cart of a particular size, *satisfactory implementation of certain criteria regarding the quality of the integration of the PayPal Services as communicated by PayPal from time to time*, and a PayPal Account in good standing.

### Merchant rate fees

Monthly transaction volume in EUR processed via PayPal Account	Variable Fee
less than EUR 2,000.00	2.49%
EUR 2,000.01 – EUR 5,000.00	2,19%
EUR 5,000.01 – EUR 25,000.00	1,99%
EUR 25,000.01 – EUR 100,000.00	1,79%
more than EUR 100,000.00	1.49%

*For the Merchant Rate, in addition to the Variable Fee set out in the table above, the Fixed Fee shall apply in the respective transaction currency as set out in clause A1.3.2. above.*

### **A3.2. Fees for Receiving Cross-Border Transactions**

PayPal shall charge a Fee for receiving Cross-Border Transactions in your Business Account in an amount equal to the Variable Fee for Domestic Transactions plus a "Cross-Border Fee" according to the Country Group in which the PayPal Account of the sender is registered as set out below plus Fixed Fee.

The Variable Fee shall in these cases be increased by the percentage points set out below:

<b>cross-border fee</b>	
<b>Country Group</b>	<b>Cross-Border Fee</b>
Northern Europe	+1.80 percentage points
Europe I	+2.00 percentage points
North America	+2.00 percentage points
Europe II	+3.00 percentage points
LATAM	+3.30 percentage points
APAC	+3.30 percentage points

### **A4.1. Currency Conversion Fee**

We have adjusted the Currency Conversion Fees for the currencies of Canadian dollars (CAD) and US dollars (USD), both from previously being 3.00% to now being 3.50%.

### **Updates to the PayPal Acceptable Use Policy**

We are clarifying the provision of the Acceptable Use Policy related to hate, violence, racial intolerance and the financial exploitation of a crime, and we have amended the provision to read as follows:

[...]

2. Relate to transactions involving (a) narcotics, steroids, certain controlled substances or other products that present a risk to consumer safety, (b) drug paraphernalia, (c) cigarettes, (d) items that encourage, promote, facilitate or instruct others to engage in illegal activity, (e) stolen goods including digital and virtual goods, (f) the promotion of hate, violence, racial *or other forms of* intolerance *that is discriminatory*, or the financial exploitation of a crime, (g) items that are considered obscene, (h) items that infringe or violate any copyright, trademark, right of publicity or privacy or any other proprietary right under the laws of any jurisdiction, (i) certain sexually oriented materials or services, (j) ammunition, firearms, or certain firearm parts or accessories, or (k) certain weapons or knives regulated under applicable law;

[...]

The rest of the Acceptable Use Policy remains unchanged.

## Policy Updates

Last Update: March 1, 2018

This page shall serve as advance information for PayPal Users with regards to important upcoming changes of PayPal Services, the PayPal User Agreement, and other policies (collectively “**Legal Agreements**”). On this page you will see announcements of upcoming updates of the Policies. Under “Previous Policy Updates” you will find previous changes.

Please read this document carefully. PayPal will change the Legal Agreements with effect to **May 25, 2018**.

You do not need to do anything to accept the changes as they will automatically come into effect on **May 25, 2018**.

Should you decide you do not wish to accept the changes you can notify us prior to May 25, 2018 to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

All changes and updates to the Legal Agreements are on this page highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

Amendments made for linguistic adjustment, to correct or remove orthographical and grammatical mistakes, or changes to the formatting are not highlighted. This does also apply where we have corrected or standardized numbering and references.

## Updates to the PayPal User Agreement

Throughout the document, we are now using the new terminology *Statement of Privacy Practices* where we previously referred to the "Privacy Policy".

### 4.10. Sending E-Money in Different Currencies

In clause 4.10. we amended the wording under the table showing currencies and ISO-codes around potential restrictions that may or may not apply when sending money in certain currencies:

*There may be some restrictions with regard to where you can send certain currencies.*

When you *send E-Money for someone to receive* a currency that is different than the primary currency of your PayPal Account, we follow these practices:

**4.10.1.** If you have *an existing Balance in the receiving currency*, we will *send your payment from your Balance*;

**4.10.2.** If you have *a Balance in a currency different than the receiving currency*, we will perform a currency conversion (pursuant to clause 8.2.) and use the converted Balance to *send your payment*;

**4.10.3.** If you do not have *any Balance*, we *automatically obtain Balance in the primary currency of PayPal Account from the relevant Funding Source pursuant to Section 3. to cover your Payment Order (and any Fees you owe us)*. *When you pay us, your Funding Source provider may apply (and may charge you for) any required currency conversion. We will then perform a currency conversion (pursuant to clause 8.2.) from the primary currency of your PayPal Account and send your payment (and collect Fees that are payable in the currency in which the payment is received by the recipient) from the converted Balance.*

## **5.7. Your Refund Policy, Data Protection, Privacy Policy and Security**

We have added a new clause 5.7. which applies to merchants:

### **5.7. Your Refund Policy, Data Protection, Privacy Policy and Security**

*We recommend that if you are selling goods or services you have a published return policy and a published privacy policy on your website.*

*Your privacy policy must clearly and expressly indicate that all PayPal transactions are subject to the PayPal Statement of Privacy Practices. You must employ reasonable administrative, technical and physical measures to maintain the security and confidentiality of any and all PayPal data and information, including data and information about PayPal users and PayPal.*

*Compliance with Data Protection Laws. With regard to any personal data processed by either Party in connection with this Agreement, the Parties will respectively each be a controller in respect of such processing. Each Party agrees to comply with the requirements of the Data Protection Laws applicable to controllers in respect of the provision of the Company Services and otherwise in connection with this Agreement. For the avoidance of doubt, PayPal and the Merchant each have their own, independently determined privacy policies, notices and procedures for the personal data they hold and are each a data controller (and not joint data controllers).*

*In complying with the Data Protection Laws, you shall, without limitation:*

- *implement and maintain at all times all appropriate security measures in relation to the processing of personal data;*
- *maintain a record of all processing activities carried out; and*
- *not knowingly do anything or permit anything to be done which might lead to a breach of the Data Protection Laws.*

*In addition to our rights under clause 10.2., where we determine that there has been or that there is a reasonable likelihood of a security breach of your website or systems that could result in the unauthorized disclosure of customer information, we may take any other actions we deem necessary and/or require you to provide us with information related to any such breach.*

## **5.8. Holds according to your instructions**

We have also added a new clause 5.8. dealing with payments that are being held due to instructions that you may give us or a third party:

### ***5.8. Holds according to your instructions***

*Certain PayPal functionality may allow you (whether directly or via someone you permit to act on your behalf under clause 15.9.1., like an online marketplace platform on which you transact as a seller) to instruct PayPal to hold your funds (including the proceeds of payments you receive using PayPal) in your Reserve Account. In such a case we will show you the availability status of those funds in your PayPal Balance – the status descriptions may differ according to the functionality you used to instruct us to place the hold. PayPal will release the hold on the funds according to the instruction that you (or the entity that you have permitted to act on your behalf under clause 15.9.1.) give to PayPal, subject to the rest of this Agreement.*

## **6c.2. How "Payment after 14 Days" works**

In clause 6c.2. we have amended the wording around direct debits and their initiation as set out below:

When you do a payment with "Payment after 14 Days", the recipient (merchant) will receive the transaction amount immediately in his PayPal account. *We will initiate the direct debit* from your bank account via direct debit no sooner than at least 14 days from the date of the transaction.

## **6c.3. Direct debit**

Since we have changed the wording around direct debits and their initiation in clause 6c.2., we amended clause 6c.3. accordingly in the second paragraph; other than that clause 6c.3. has not been changed:

For each payment using "Payment after 14 Days", you authorize PayPal to debit the primary bank account for the full payment amount no sooner than at least 14 days after the transaction date. The exact date, on which *we will initiate the direct debit from your bank account*, is going to be displayed in your PayPal Account statement and in an email which is sent to you.

#### **6c.4. Choice of funding source**

In clause 6c.4. we have amended the wording in the first paragraph and we have removed the last sentence of the second paragraph:

*If you have chosen to use "Payment after 14 Days" for a transaction, we will debit the entire transaction amount from your bank account also if your Balance covers the transaction amount. The use of gift vouchers or other Special Funding Arrangements (as defined in clause 3.5.) is excluded when using "Payment after 14 Days".*

However, even when you have registered for "Payment after 14 Days", you may choose a different Funding Source for each transaction. That means that you may decide for each transaction whether you want to use "Payment after 14 Days" or another available Funding Source such as credit card, Balance or direct debit without the functionality "Payment after 14 Days".

#### **Schedule 1: Table of Fees**

We have also applied amendments to Schedule 1: Table of Fees.

##### **A1.1. Commercial Transactions and Personal Transactions**

In clause A1.1. we have added some wording to the second paragraph to standardize defined terms throughout the Schedule; other than that clause A1.1. has remained unchanged:

A "Personal Transaction" involves sending money (initiated from the "Personal" tab of the "Send Money" flow) to, and receiving money into your PayPal Account from friends and family without making a purchase (that is, the payment is not for goods or services).). *A Personal Transaction which is a Domestic Transaction is referred to as a "Domestic Personal Transaction" and a Personal Transaction which is a Cross-Border Transaction is referred to as a "Cross-Border Personal Transaction".*

##### **A2. Personal Transactions**

In clause A2. we have in the first sentence clarified that from now on, the sender will bear any fees associated with sending a Personal Transaction; other than that clause A2. has remained unchanged:

When sending a Personal Transaction, the sender will *pay the Fee*.

## A2.1. Domestic Personal Transactions

In clause A2.1. we have clarified what fees we charge for Domestic Personal Transactions in other currencies than euros (EUR) or Swedish kronor (SEK), if these are (partially) funded by another Funding Source than an existing Balance or a bank account:

### A2.1. Domestic Personal Transactions

Domestic Personal Transactions are free *as long as an existing Balance or a bank account are used as Funding Source* for the transaction.

*For all other Funding Sources, Domestic Personal Transactions are only free when sent in euros (EUR) or Swedish kronor (SEK); for all other currencies you will be charged a Variable Fee of 1.90% plus Fixed Fee, which shall be charged in the currency in which your payment is received.*

## A2.2.1. Fees for Cross-Border Personal Transactions

In clause A2.2.1. we have amended and simplified system of fees for Cross-Border Personal Transactions as follows:

*To determine the Fees for Cross-Border Personal Transactions:*

*Find the country in which the recipient's registered address is located (see clause A2.2.2. below for further reference or ask the recipient if you are not sure) (second column).*

*Then find the applicable Personal Transaction payment Fee (and, where applicable, the Additional Personal Transaction payment Fee) (thirds and forth columns).*

<i>Activity</i>	<i>Country Group of recipient's Account</i>	<i>Personal Transaction payment Fee</i>	<i>Additional Personal Transaction payment Fee for the portion of the payment amount sent from Balance automatically obtained for the payment from all Funding Sources other than bank account</i>
<i>Sending a Cross-Border Personal Transaction payment from your Balance</i>	<i>Northern Europe, North America, Europe I, Europe II</i>	<i>EUR 1.99</i>	<i>1.90% + Fixed Fee (charged in the currency in which your payment is received)</i>
	<i>LATAM, APAC, Rest of World</i>	<i>EUR 3.99</i>	

## Updates to the Statement of Privacy Practices

Effective Date: **May 25, 2018**

You can find the amended PayPal Privacy Policy by clicking [here](#), or you may access it via the link provided at the top of the current Privacy Policy, which can be found by clicking the ‘Privacy’ footer on most PayPal site pages or clicking [here](#).

We updated our disclosure of privacy practices in an updated Privacy Policy and reworded some content to make our practices easier to understand. This updated Privacy Policy will replace our current Privacy Policy for PayPal Services and explains the personal data we collect, how we use it, and the choices and controls you have across our various services. The updated Privacy Policy brings PayPal privacy practices in line with the EU General Data Protection Regulation.

We encourage you to familiarise yourself with the updated Privacy Policy. If you object to the updated Privacy Policy, you may close your account before May 25, 2018.

## Policy Updates

Last Update: October 9, 2017

This page shall serve as advance information for PayPal Users with regards to important upcoming changes of PayPal Services, the PayPal User Agreement, and other policies (collectively “**Legal Agreements**”). On this page you will see announcements of upcoming updates of the Policies. Under “Previous Policy Updates” you will find previous changes.

Please read this document carefully. PayPal will change the Legal Agreements with effect to **January 9, 2018**.

You do not need to do anything to accept the changes as they will automatically come into effect on **January 9, 2018**.

Should you decide you do not wish to accept the changes you can notify us prior to January 9, 2018 to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

All changes and updates to the Legal Agreements are on this page highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

Amendments made for linguistic adjustment, to correct or remove orthographical and grammatical mistakes, or changes to the formatting are not highlighted.

## **Updates to the PayPal User Agreement**

We have made the following amendments to the PayPal User Agreement:

### **Preamble**

In the preamble we have added a clarification that the PayPal User Agreement and the Ancillary Documents listed in the preamble do not constitute "framework agreements" within the meaning of the Payment Services Directive 2007/64/EC or the Second Payment Services Directive (EU) 2015/2366 (both known as "PSD" and "PSD2", respectively):

*The terms of the Acceptable Use Policy, the PayPal Buyer Protection Policy, the PayPal Seller Protection Policy and Merchant Gift Certificates Agreement located on the "Legal Agreements" landing page on the PayPal Website are incorporated by reference into this User Agreement and provide additional terms and conditions related to the PayPal Services. The above mentioned documents are "Ancillary Documents" for the purpose of this User Agreement.*

*For the avoidance of doubt, neither the Ancillary Documents nor the parts of this User Agreement that incorporate the terms of the Ancillary Documents constitute "framework contracts" for the purpose of the EU Payment Services Directive (2007/64/EC), the Second EU Payment Services Directive (2015/2366) ("PSD2") or any implementation of those directives in the member states of the European Union or the EEA.*

The sentence regarding contractual language has been moved to clause 1.4.1. (please see below).

### **1.4. Communicating with You**

We have divided clause 1.4. into two sub-clauses: clause 1.4.1 is new and the "new" clause 1.4.2. Notices to You now reflects the content of the "old" clause 1.4.:

#### **1.4.1. Languages**

*We provide you with this User Agreement in German – therefore German shall be the contractual language and any English version of this User Agreement is for informational purposes only. This User Agreement is concluded in German and this English version of the*

*User Agreement is for informational purposes only. As a standard, we will communicate with you in German. Upon request by you, communication can be made in English.*

## **2.1. Account Types**

In clause 2.1., we have added some clarification at the beginning of the second paragraph that it may subject to express prior agreement with us be possible to hold more than one PayPal account:

*Unless expressly agreed otherwise with us, you may hold **not more than 1** Personal Account and 1 Business Account. Holders of certain Personal Accounts may be required to upgrade their accounts (which may include providing further information to PayPal) in order to use all of the current functionality available in a Personal Account.*

## **2.3. Account Information (including Balance and Transaction Information)**

We have extended the headline of clause 2.3., adding "Account Information" to it

*2.3. Account Information (including Balance and Transaction Information)*

## **3.6. Preferred Funding Source**

We have restructured clause 3.6. and given it a new wording:

*You can choose any of the Funding Sources in your PayPal Account as your Preferred Funding Source for obtaining E-Money in your Balance to cover a Payment Order, subject further to this User Agreement. PayPal may allow you to choose a Preferred Funding Source for certain future Payment Orders in your account preferences of your PayPal Account from time to time. There may be times when your Preferred Funding Source cannot be used, depending on the nature of the Funding Source, the type of Payment Order it is used to fund or the recipient (see also clause 3.8). For example (on a non-exhaustive basis):*

1. *You select a credit card that has expired;*
2. *A Special Funding Arrangement is available to cover the Payment Order instead, in which case PayPal may use the Specific Funding Arrangement to obtain E-Money to cover your Payment Order before using your Preferred Funding Source; or*
3. *You have a pre-existing Balance available to cover the Payment Order instead, in which case PayPal may use your pre-existing Balance (after any available Special Funding Arrangement) for the E-Money to cover your Payment Order before using your Preferred Funding Source.*

*PayPal may disapply clause 3.6.c. and use your Preferred Funding Source to obtain E-Money to cover certain Payment Orders even if you have pre-existing Balance, subject further to this User Agreement.*

## **4.1. Our execution of your Payment Orders**

In clause 4.1.e.i., we have added a redirect to clause 4.8. and deleted the words "or otherwise direct":

2. If you have set up a third party initiated payment Authorization *according to clause 4.8.* below in which you have agreed with a Merchant or other third party to provide an advance Authorization to allow that Merchant or third party to collect payment of funds from your PayPal Account; and/or

Further, we have corrected the reference to clause 4.8. in the last paragraph, which previously has incorrectly been shown as a reference to clause 3.10.

#### **4.7. Merchant Processing Delay**

We have restructured clause 4.7. and added a paragraph for clarification:

*When you pay certain Merchants (for instance, some Merchants selling on online platforms) or pay for certain purchases (for instance, purchases which have to be shipped to you or may be further amended by the Merchant), you are providing*

1. an Authorization to the Merchant to *collect your payment at a later time*; and
2. *an instruction to PayPal to pay that Merchant when the Merchant requests payment.*

Your Authorization will remain valid typically for up to 30 days.

*If you have a positive Balance at the time you made your Authorization, you agree that PayPal may hold the payment amount as pending in your Reserve Account until the Merchant collects your payment. If your payment requires a currency conversion by us, the final exchange rate will be determined and applied (in accordance with clause 8.2.) at the time the Merchant processes your payment and completes the transaction.*

*Your authorization allows the Merchant to amend the payment amount before the Merchant collects the payment (to account for any amendments to the purchase that you may agree with the Merchant, such as additional taxes, shipping or postage charges or discounts). PayPal may set a maximum amount for the payment to be made to the Merchant in certain circumstances, which may be shown to you on the payment authorization page. PayPal is not required to verify any amendments at any time (including at the time the payment is transferred). PayPal may transfer any amount on the basis of your Authorization and upon receiving instructions from the Merchant of the final payment amount (subject to any maximum amount set and communicated by PayPal for the given payment).*

#### **4.8. Pre-approved Payments**

In clause 4.8.b. as well as in the last paragraph of clause 4.8. we have corrected the incorrect reference to clause 3.1 (e) to the correct reference to clause 4.1.e. – otherwise the provision remained unchanged.

## **4.10. Sending E-Money in Multiple Currencies**

In clause 4.10.b. we have added a reference to clause 8.2. and reworded it a bit:

2. If you have a Balance in a different currency, we will perform a currency conversion (*pursuant to clause 8.2.*) and use *the converted Balance* to fund your transaction;

## **5. Receiving E-Money**

In the preamble to Section 5 we have added the clarification that payments made to PayPal accounts are E-Money payments.

### **5.3. Payment Reversals – PayPal's Claims for Reimbursement**

In clause 5.3.a. and in clause 5.3.c. as well as in clause 5.3.d. we have corrected the references from the incorrect references to the former clauses 4.3 (b) and 4.3 (c) to the now correct clauses 4.8.b. and 4.8.c., respectively.

### **5.4. PayPal and your customers**

Many changes to clause 5.4. – which only apply to you if you are using the PayPal Services as a Merchant though.

The new headline reflects this and we have sharpened the wording regarding the parity of the display of the PayPal Services in online shops.

Further, surcharging is now a thing of the past and prohibited. We have added a list of potential consequences for Merchants which do not comply with this new provision:

#### ***5.4. PayPal and your customers***

*In representations or in public communications to your customers, you shall not mischaracterize or disparage the PayPal Services as a payment method.*

*If you enable your customers to pay you using the PayPal Services, you shall treat the service marks or trademarks of PayPal at least at par with other payment methods offered.*

*You shall not surcharge for the use of the PayPal Services.*

*If your PayPal Account has Merchant Rate status as set out in Schedule 1 (Table of Fees) clause A3.1.3. and, at any of your points of sale (in whatever form), you:*

1. *Dissuade or inhibit your customers from using the PayPal Services;*
2. *Fail to treat the service marks or trademarks of PayPal at least at par with other payment methods offered; or*
3. *Apply a surcharge for the use the PayPal Services,*

*PayPal may permanently downgrade your PayPal Account to the standard rate (without prejudice to any other rights and remedies PayPal may have).*

## **6.1. How to Withdraw/Redeem E-Money**

In clause 6.1. we have tried to clarify what happens when you withdraw/redeem E-Money from your PayPal Account, especially when it's a Balance held in a foreign currency:

You may withdraw funds by electronically transferring them to your bank account. Withdrawing E-Money from your PayPal Account to your bank account is equal to redeeming E-Money into euros (EUR).

If you withdraw

1. a Balance *held in a currency other than the primary currency of your PayPal Account, or*
2. *to a bank account held in a currency other than the primary currency of your PayPal Account*

*you will be charged a Currency Conversion Fee as set out in clause A3.1.1. of Schedule 1 to convert it to your primary currency Balance (pursuant to clause 8.2.).*

*See also clause 6.4. if your PayPal Account holds a Balance in multiple currencies.*

## **6.4. Withdrawing Money in Multiple Currencies**

We when reference to clause 6.4, we of course also apply changes to clause 6.4.:

*If you have multiple currencies in your Balance, you will be able to chose from those when you withdraw funds, but, unless otherwise agreed, the withdrawal will take place in the primary currency of your PayPal Account.*

*See clause 6.1 for how you may be charged a Currency Conversion Fee to convert from or into the primary currency of your PayPal Account when withdrawing your Balance.*

## **6a. Kauf auf Rechnung**

We have amended the headline of Section 6a. and the reference to the applicability of German law has been moved to clause 15.1.

All amendments to Section 6a. do only apply to you if you are a Merchant.

### **6a.1. Kauf auf Rechnung**

In clause 6a.1. we have amended the wording and clarified eligibility criteria:

Many merchants want to offer to their buyers, who are consumers and provide a place of residence in Germany (“**Customers**”), the opportunity to purchase goods or services in their online shop on account and pay by electronic funds transfer. For this purpose PayPal has developed a payment upon invoice product (“**Kauf auf Rechnung**”). *Any Merchant wishing to offer Kauf auf Rechnung to its Customers is required to either use PayPal PLUS (see clause 6b.) or to be a merchant on eBay.* There shall be no entitlement to the eligibility for Kauf auf Rechnung. PayPal reserves the right not to offer Kauf auf Rechnung to a merchant and to terminate or limit Kauf auf Rechnung in full or in part at any time, including but not limited to the right not to purchase receivables of purchases of certain products, product group, or from certain industries.

#### **6a.2. Conditions for the use of Kauf auf Rechnung by Customers**

In clause 6a.2. we have added "as a general rule" for further clarification:

Kauf auf Rechnung may *as a general rule* be used for transaction amounts between EUR 1.50 and EUR 1,500.00.

#### **6a.3. Sale and Assignment of Receivables**

In clause 6a.3. lawyers have been lawyers and therefore we have added some legal clarification:

The Merchant hereby offers PayPal to purchase all its receivables and rights against the Customer deriving from PayPal Invoice Contracts concluded after the date of introduction including any associated charges (including but not limited to shipping costs) and fees, *ancillary rights, quasi-contractual claims, claims based on unjust enrichment and claims in tort* (collectively “**Assigned Receivables**”). PayPal accepts this purchase offer. The Merchant hereby irrevocably assigns the Assigned Receivables to PayPal. PayPal hereby accepts the assignment of the Assigned Receivables.

#### **6a.4. Crediting of Purchase Price; Fees**

In clause 6a.4. we have amended the headline and applied additional wording:

#### **6a.4. Crediting of Purchase Price; Fees**

For Assigned Receivables *PayPal shall credit the Merchant an amount (“Purchase Price”) as set out below:*

- The price for the goods or services agreed upon between the Merchant and the Customer plus
- Charges and fees (e.g. shipping costs) payable by the Customer minus
- *Standard Fees payable by Merchant according to Schedule 1 (Table of Fees) (see clause A3.2. for the use of PayPal PLUS or clauses A1.3.2., A3.1.2. as a Merchant on eBay); PayPal shall not apply a fee for the assignment of Assigned Receivables itself*

The Purchase Price is due immediately after the Customer completes the order process. PayPal *shall* credit the Merchant's PayPal Account with an E-Money amount equal to the Purchase Price.

#### **6a.5. Rights or recourse and rescission**

We have amended a sentence at the end of the second paragraph in clause 6a.5.:

If a Customer asserts the defense of non-fulfilment of contract (e.g. item not received) or if a Buyer refuses payment by asserting other defenses or objections, PayPal may take recourse with the Merchant unless the Merchant can provide valid proof of shipment in accordance with the terms of the PayPal Seller Protection Policy. *In the event the Merchant violates representations or warranties set out in clause 6a.6. the Merchant shall not be eligible for PayPal Seller Protection.*

#### **6a.6. Representations and Warranties; Legal Consequences of a Breach**

We have amended clause 6a.6.c. and added a new sub-clause 6a.6.h.:

3. The Merchant *shall* send or render all products or services within 7 days of the completion of a transaction, *unless expressly agreed otherwise with PayPal*;
8. *The Merchant shall not allow the Customer to change his address (invoice or shipping address) or any other of the Customer's data in the online shop or during the order process after the credit check has been performed. To the extent the Merchant engages third parties to ship the goods, the Merchant shall ensure that also such third party shall not allow changes of address or other data;*

#### **6a.7. Indemnity**

We have removed the old second paragraph from clause 6a.7.

#### **6a.9. Termination rights of PayPal**

We have streamlined clause 6a.9.:

PayPal *reserves the right to limit or terminate the use of Kauf auf Rechnung by a Merchant without notice, including without limitation regarding certain products, groups of products or values.*

#### **6b. PayPal PLUS**

In Section 6b. we have removed the fourth paragraph and the reference to the PayPal Buyer Protection Policy.

#### **8.2. Currency Conversion**

We have clarified the provision around currency conversion in clause 8.2. and introduced the term "Base Rate":

If a transaction involves a currency conversion by PayPal, it will be *converted at the exchange rate we set for the relevant currency exchange. This is the "Base Exchange Rate".*

*The Base Exchange Rate is based on rates available in the wholesale currency markets, or if required by law or regulation, at the relevant government reference rate(s), on the conversion date or the prior business day.*

*We then add a Currency Conversion Fee (as set out in clause A3.1.1. of Schedule 1 (Table of Fees)) to the Base Exchange Rate to form the final foreign exchange rate applied to your transaction. In some cases (see clauses 4.7. and 4.8.) this final foreign exchange rate may be applied immediately and without notice to you. .*

The "Currency Converter" tool can be accessed through your PayPal Account and used to see what exchange rates (*with the Currency Conversion Fee already applied*) apply for certain currency exchanges at the time you use the tool.

## **9.1. Restricted Activities**

We have reworded clause 9.1.j. a bit:

10. Use an anonymizing proxy. *whether electronically, physically (e.g. using a P.O. box as your address) or otherwise;*

At the very end of clause 9.1, we have added the following:

*You agree that engaging in the above Restricted Activities diminishes your or other PayPal customers' safe access and/or use of your Payment Instrument, PayPal Account or the PayPal Services in general.*

## **9.3. Restricted Activities and Permissions**

We have introduced a new clause 9.3.:

*Nothing in this Section 9. prevents you from permitting third parties to take certain actions of your behalf as outlined in clause 15.9. in compliance with the conditions of their license and applicable law.*

## **14.2. ECC-Net, CSSF and ODR**

The European Union has introduced an online portal for dispute resolution and hence we have amended our clause 14.2. accordingly:

## **14.2. ECC-Net, CSSF and ODR**

If you have a complaint to make about us, you may choose to escalate it by contacting one of the following:

1. European Consumer Centre (ECC-Net)

You may obtain further information regarding the ECC-Net and how to contact them at [http://ec.europa.eu/consumers/ecc/index\\_de.htm](http://ec.europa.eu/consumers/ecc/index_de.htm);

2. Commission de Surveillance du Secteur Financier (CSSF)

The CSSF is the authority responsible for the prudential supervision of companies in the financial sector in Luxembourg. You can contact the CSSF at 283 Route d'Arlon, L-1150 Luxembourg. You may obtain further information regarding the CSSF and how to contact them at: <http://www.cssf.lu/index.php?&L=1>

*or by visiting the European Union's Online Dispute Resolution site at <https://ec.europa.eu/consumers/odr>.*

### **15.1. Governing Law and Jurisdiction**

We have amended the wording of clause 15.1. a bit:

This User Agreement and the relationship between us shall be governed by the laws of *England and Wales with the exception of Section 6a. Kauf auf Rechnung to which the laws of the Federal Republic of Germany shall apply*. For complaints that cannot be resolved otherwise, you submit to the non-exclusive jurisdiction of the courts of *England and Wales*. Your German consumer protection rights as well as your right to your right to also initiate a proceeding against PayPal in that context before the competent courts of and in Luxembourg shall remain unaffected.

### **15.3. Limitations of Liability**

Clauses 15.3. and 15.4. have changed places as they have been displayed in an incorrect order due to a technical glitch.

### **15.9. Third Party Permissions**

Clause 15.9. has been restructured, we have added sub-clauses and provisions around AIS and PIS Providers:

#### **15.9. Third Party Permissions**

1. *Permissions in general*

You may expressly grant, remove, and manage permissions for *some* third parties to take certain actions on your behalf. *In some cases you can do this by logging into your PayPal Account – in other cases you can do this directly with the third party*. You acknowledge that if you grant permission for a third party to take actions on your behalf, PayPal may disclose certain information about your PayPal Account to this third party.

## 2. *Using licensed third-party services to access your PayPal Account information*

If you permit either:

1. *a third-party service provider licensed by applicable law to provide account information services ("AIS Provider") to access information about your PayPal Account on your behalf; or*
2. *a third party card issuer to confirm whether an amount necessary for the execution of a card-based payment transaction is available on your PayPal Account*

*then*

3. *this User Agreement (including, without limitation, clause 2.3) will still apply to you and your access to that information using the AIS Provider or card issuer; and*
4. *you are liable to PayPal:*
  1. *for the actions that you authorize the AIS Provider or card issuer to take on your behalf; and*
  2. *under clause 15.9 d (your liability regarding any permissions you grant).*

*subject to your mandatory legal rights and Section 12 (Errors and Unauthorized Transactions).*

## 3. *Using licensed third party services to initiate your payment*

If you permit a third party service provider licensed by law to provide payment initiation services ("PIS Provider") to initiate your payment on your behalf *then:*

1. *this Agreement (including, without limitation, clauses 4.1 to 4.6 inclusive and clause 4.10) will still apply to you and your payment initiated by the PIS Provider; and*
2. *your are liable to PayPal:*
  1. *for the actions that you authorize the PIS Provider to take on your behalf; and*
  2. *under clause 15.9. d (your liability regarding any permissions you grant)*

*subject to your mandatory legal rights and Section 12 (Errors and Unauthorized Transactions).*

## 4. *Your liability regarding any permissions you grant*

Granting permission to any third party in any way does not relieve you of any of your responsibilities under this User Agreement. You acknowledge and agree that you will not hold PayPal responsible for, and will indemnify PayPal from, any liability arising from the actions or inactions of this third party in connection with the permissions you granted.

## **15.11. Corporate Customers**

The amendments to clause 15.11. only apply to Merchants:

As a Corporate Customer, you further agree that while we may do so, we are not obliged to comply nor provide you with the information requirements set out in *Title III PSD2 and their equivalents in any implementation of PSD2 in member states of the European Union or the EEA that may apply to you ("PSD2 Transpositions")*. Further, you agree that *articles 72 and 89 of PSD2 and equivalent provisions in PSD2 transpositions do not apply to your use of the PayPal Services, meaning that, notwithstanding any other provisions of this User Agreement, we are not liable to you for the losses or damage you may suffer as a result of the matters referred to in Title III and articles 72 and 89 of PSD2 and equivalent provisions in PSD2 Transpositions.*

## 16. Definitions

We have added the necessary definitions to Section 16., please see there for details.

## Schedule 1 (Table of Fees)

We have applied the following changes to Schedule 1 (Table of Fees):

### A2.2.2. Country Groups

We have extended the Country Groups list and streamlined it with the contractual agreements we enter into with our Merchants:

Country Group	Countries
Northern Europe	Denmark (including Faroe Islands and Greenland), Finland (including Aland), Iceland, Norway, Sweden
Europe I	Austria, Belgium, Cyprus, Estonia, France (including French Guyana, Guadeloupe, Martinique, Mayotte, Reunion), Germany, Gibraltar, Greece, Ireland, Italy, Luxembourg, Malta, Monaco, Montenegro, Netherlands, Portugal, San Marino, Slovak Republic, Slovenia, Spain, United Kingdom (including Channel Islands and Isle of Man), Vatican City
North America	Canada, United States of America
Europe II	Albania, Andorra, Belarus, Bosnia and Hercegovina, Bulgaria, Croatia, Czech Republic, Georgia, Hungary, Kosovo, Latvia, Liechtenstein, Lithuania, Macedonia, Poland, Republic of Moldova, Romania, Russia, Serbia, Switzerland, Ukraine
LATAM	Anguilla, Antigua and Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bermuda, Bolivia, Brazil, Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Honduras, Montserrat, Netherlands Antilles, Panama, Paraguay, Peru, Puerto Rico, Saint Kitts and Nevis, Saint Lucia, Saint Vincent And The Grenadines, Suriname, Turks And Caicos Islands, Trinidad And Tobago, Uruguay, Venezuela, Virgin Islands (British), Virgin Islands (U.S.)

APAC	<i>Australia, Bangladesh, Bhutan, Cambodia, China Domestic, China World Wide, Democratic People's Republic of Korea, Federated States of Micronesia, Hong Kong, India, Indonesia, Japan, Mongolia, Macau, Maldives, Malaysia, Nepal, New Zealand, Norfolk Island, Pakistan, Peoples Democratic Republic of Lao, Philippines, Republic of Korea, Samoa, Singapore, Sri Lanka, Taiwan, Thailand, Tonga, Vietnam</i>
Rest of World	<i>all other countries not mentioned in any of the Country Groups above</i>

### A3.2. PayPal PLUS Commercial Transactions

We have divided clause A3.2. into two sub-clauses and synched its wording to reflect the wording in our Merchant contracts:

For receiving payments through PayPal PLUS (see Section 6b. of the User Agreement) the following fees shall apply:

#### A3.2.1. Domestic PayPal PLUS Payments

For *each* Commercial Transaction received via PayPal PLUS as a Domestic Payment (*each a "PayPal PLUS Domestic Payment"*) the fees set out below shall apply on the basis of the monthly transaction volume processed *consisting of a Variable Fee ("PayPal PLUS Variable Fee") and a Fixed Fee ("PayPal PLUS Fixed Fee")*, which shall apply as set out in clause A1.3.2. above:

Monthly transaction volume via PayPal PLUS	Fees
less than EUR 5,000.00	<i>PayPal PLUS Variable Fee of <b>2.49%</b> plus PayPal PLUS Fixed Fee</i>
more than EUR 5,000.00 and less than EUR 25,000.00	<i>PayPal PLUS Variable fee of <b>2.09%</b> plus PayPal PLUS Fixed Fee</i>
more than EUR 25,000.00	<i>PayPal PLUS Variable Fee of <b>1.79%</b> plus PayPal PLUS Fixed Fee</i>

#### A3.2.2. Cross-Border PayPal PLUS Payments

*For receiving payments through PayPal PLUS, which are not Domestic PayPal PLUS Payments (each a "Cross-Border PayPal PLUS Payment"), the PayPal PLUS Variable Fee shall depending on the Group Country of the sender of the payment be increased by the percentage points as set out in clause A3.1.4. The PayPal PLUS Fixed Fee shall also apply for receiving Cross-Border PayPal PLUS Payments in the currency of the respective transaction as set out in clause A3.1.2. above.*

#### **A4.1. Currency Conversion Fee**

In clause A4.1. we are now using the term Base Rate defined in clause 8.2. Otherwise the provision has remained unchanged.

### **UPDATES TO THE COMMERCIAL ENTITY AGREEMENT**

We have amended the Commercial Entity Agreement applicable to our merchants as well by applying editorial changes to the second part of the Commercial Entity Agreement.

This page shall serve as advance information for PayPal Users with regards to important upcoming changes of the PayPal Services, the PayPal User Agreement, Privacy Policy, and other policies (collectively “**Legal Agreements**”).

Please read the information on this page carefully.

PayPal will change its Legal Agreements with effect to **April 27, 2017**.

You do not need to do anything to accept the changes as they will automatically come into effect on **April 27, 2017**.

Should you decide you do not wish to accept the changes you can notify us before **April 27, 2016** to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

All changes and updates to the Legal Agreements are on this page highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

Amendments made for linguistic adjustment, to correct or remove orthographical and grammatical mistakes, or changes to the formatting are not highlighted.

### **Updates to the PayPal User Agreement**

We have restructured the PayPal User Agreement a bit and certain provisions have been moved to new sections in the PayPal User Agreement. Further, we have added some provisions to the effect that the PayPal User Agreement now consists of 16 sections, 3 sub-sections, and 1 Annex.

#### **1.3 Assignment**

The provision of the previous clause 1.3 Intellectual Property has been moved to clause 15.8 and the subsequent provisions have moved up a clause: Our previous clause 1.4 Assignment is now clause 1.3.

#### **1.4 Notices to You**

This provision has also moved up one spot from previously being clause 1.5 to now being clause 1.4.

#### **1.5 Notices to PayPal**

The previous clause 1.6 Notices to PayPal is now clause 1.5.

#### **1.6 Amendments to this User Agreement**

Since clause 1.7 Transaction History has been removed and with new content has been transitioned into the new clause 2.3, our previous clause 1.8 has moved up to being clause 1.6 now.

#### **1.7 Eligibility**

The provision of our previous clause 2.1 has been moved up to being clause 1.7.

### **2. PayPal Account and Balances**

The headline of Section 2 has been changed from “PayPal Account – Eligibility and Types of Accounts” to *PayPal Account and Balances*.

#### **2.1 Account Types**

Our previous clause 2.2 has been moved up to being clause 2.1.

#### **2.2 Balance**

We have added a new clause 2.2 Balance:

*The Balance in your PayPal Account represents the amount of E-Money available for paying out from your PayPal Account, subject to the terms of this User Agreement. If you hold a Balance you will not receive interest or any other earnings on the Balance because European law forbids paying interest on E-Money, as it is a cash-equivalent and not a deposit.*

*You are not required to keep a Balance at all times, but if you use the PayPal Services to pay another User you need to have sufficient Balance in your PayPal Account to cover the amount of the payment (and transaction fees payable to us).*

*This is because, when you pay another User, you are authorizing us to transfer E-Money from your Balance to the PayPal Account of the recipient, in each case according to your Payment Order and subject to the terms of this User Agreement.*

*To get a Balance on your PayPal Account you can, subject further to this User Agreement:*

- *Accept a payment in your PayPal Account from someone else; or*
- *Obtain E-Money from us by paying us an equivalent amount. You can do this:*
  - *Automatically using your applicable Funding Source(s) to cover payments that you instruct us to send to other Users (and the transaction fees payable by you to us). The execution of the payment from your bank or card issuer to PayPal is your bank's/card issuer's responsibility; or*
  - *Manually using the "Add Funds" function available from your PayPal Account interface to pay us or instructing us to pull a payment from your bank account under the authority you give us when linking your bank account as a Funding Source (see clause 3.3).*

## **2.3 Balance and Transaction Information**

We have added a new clause 2.3 Balance and Transaction Information which in amended form uses content of the previous clause 1.7:

*Unless your PayPal Account is restricted, you may access your details of executed payment transactions and other information relating to your PayPal Account transaction history and Balance by logging into your PayPal Account. Key information relating to your payments will be provided to you via e-mail and your transaction history will also be updated and made available to you at any time by logging into your PayPal Account. You will also be able to access a downloadable report via the "History" section of your PayPal Account. The "History" section will also show all Fees incurred and any other amounts charged to your PayPal Account in the relevant period. The "History" will only be updated and made available if there has been any activity on your PayPal Account or any Fees have been incurred in the relevant period. PayPal reserves the right to charge a Fee for providing you with additional information or for providing the transaction history and other information about Fees in a different way. The way in which we provide the transaction information will allow you to store and reproduce the information unchanged, for example by printing a copy. PayPal will ensure that the details of each transaction will be made available for you to view online for at least 13 months from when it is first made available. You agree to review your transactions through your PayPal Account History instead of receiving periodic statements by mail.*

## **2.4 Set-off**

The previous clause 5.4 Set-off has been moved up to now being clause 2.4.

## **2.5 Amounts You Owe Use**

We have added an introductory sentence to our previous clause 5.2 Amounts You Owe Use which has been moved up to being clause 2.5 and has otherwise remained unchanged:

*Where the aggregate amount you owe us exceeds the amount held in your Balance we may show your Balance in negative figures as a reflection of the net amount you owe to us.*

## **2.6 Balances in Multiple Currencies**

The previous clause 5.3 Balances in Multiple Currencies has been moved up to now being clause 2.6.

## **2.7 Security Interest**

The previous clause 5.5 Security Interest has been moved up to now being clause 2.7.

## **3. Funding Sources**

Section 3 has been renamed from “Sending Money” to 3. *Funding Sources*.

### **3.1 Linking Your Funding Source**

Clause 3.1 has been renamed from “Our execution of your Payment Orders” to 3. *Linking Your Funding Source* and has been amended now reflecting some of the content of the previous clause 3.13, which has been removed:

*You can link or unlink a credit card or a bank account as a Funding Source for your PayPal Account. Please keep your Funding Source information current (i.e. credit card number and expiration date). If this information changes, we may update it as directed by your bank or card issuer without any action on your part.*

### **3.2 Cards**

We have added a new clause 3.2 *Cards*:

*By linking a credit card as a Funding Source, you are providing PayPal with a continuous authority to automatically charge that card for the amount necessary to purchase E-Money required in your Balance to cover a Payment Order (plus transaction fees payable to us) when the card is the applicable Funding Source for that Payment Order pursuant to this User Agreement. You can stop the continuous authority in respect of any card by removing that card as a Funding Source from your PayPal Account.*

### **3.3 Bank Accounts**

We have also added a new clause 3.3 *Bank Accounts* to reflect the new structure of the PayPal User Agreement:

*By linking your bank account as a Funding Source, you are providing PayPal with a continuous authority (subject to the terms of the mandate used by your bank to set up and maintain that authority) to automatically charge your bank account for the amount necessary to purchase E-Money in your Balance:*

- Required to cover a Payment Order to another User (plus transaction fees payable to us) when the bank account is the applicable Funding Source for that Payment Order pursuant to this User Agreement: or
- *When using the “Add Funds” functionality in your PayPal Account interface.*

*You give PayPal the right to resubmit any debit you authorized that is returned for insufficient or uncollected funds. If you cancel any direct debit (including, without limitation, any SEPA Direct Debit), you agree to reimburse us for the value of any goods or services that you have consumed with the proceeds of that direct debit.*

*You agree that when PayPal receives a payment from your bank account to obtain E-Money in your PayPal Account, PayPal may hold the funds in your Reserve Account for so long as PayPal determines that an NSF Risk exists. In such an event, the E-Money will not be made available to you in your Payment Account (including for the execution of any Payment Order that the bank payment was made to cover) until PayPal determines that the NSF Risk has passed. Until that time the bank payment will appear to you as “Uncleared” in your PayPal Account details. PayPal is not in possession of all the information necessary to place the funds from your bank payment at your disposal until it determines that the NSF Risk has passed.*

### **3.4 Direct Debit**

The previous clause 3.7 Direct Debit has been moved up to now being clause 3.4.

### **3.5 Special Funding Arrangements**

We have consolidated some of the content of the previous clause 3.4 Default Funding Sources in the new clause 3.5:

*Certain payments may be funded by special funding arrangements linked to your PayPal Account, such as merchant/transaction specific balance, gift vouchers or other promotional funding arrangements, the use and priority of which are subject to further terms and conditions between you and PayPal (“Special Funding Arrangements”). Your PayPal Account Overview may show the notional amount available in your Special Funding Arrangements to fund qualifying payments at any given time. This amount does not constitute E-Money, is not deemed part of your Balance and is not redeemable in cash - it only represents the amount of E-Money which PayPal offers to issue and credit to your PayPal Account at the time of (and only to immediately fund) a qualifying PayPal*

*payment, subject to (and only for the period outlined in) the further terms and conditions of use of that Special Funding Arrangement. If your PayPal payment funded by a Special Funding Arrangement is rescinded (including, without limitation, Reversed) at a later time for any reason, PayPal will keep the amount that represents the portion of that PayPal payment that was funded by your Special Funding Arrangement and (provided that the Special Funding Arrangement has not already expired) reinstate the Special Funding Arrangement.*

### **3.6 Preferred Funding Source**

Our previous clause 3.5 Preferred Funding Source has been moved to being clause 3.6.

### **3.7 No Preferred Funding Source Selected/Available**

In our new clause 3.7 *No Preferred Funding Source Selected/Available* we explain in which order Funding Sources are being used; we have used parts of the previous clause 3.4 here:

*If you have not selected a Preferred Funding Source or if your Preferred Funding Source is unavailable, PayPal will obtain E-Money in your Balance to cover your Payment Order from the following sources in the following order to the extent available:*

- 1. Special Funding Agreements,*
- 2. Pre-existing Balance*
- 3. Default Funding Sources*

*used in the following order (to the extent that such Funding Sources are available for use with your Account):*

- a. Bank account,*
- b. Credit card,*
- c. Bank transfer.*

### **3.8 Funding Source Limitations**

Our new clause 3.8 *Funding Source Limitations* tells you how we are treating Funding Sources that cannot be used for certain transactions:

*In order to manage risk, PayPal may limit the Funding Sources available for a transaction. If we limit a Funding Source, we will alert you that there is a higher than normal level of risk associated with the payment (for example and without limitation, a risk that the payment may be challenged to be unauthorized). Such a notice does not mean that either party to the transaction is acting in a dishonest or fraudulent manner. It*

*means there may be a higher than normal level of risk associated with the payment. Funding Sources may be limited also if you make a PayPal payment through certain third party websites or applications.*

## **4. Sending Money**

Section 4 has been renamed from “Receiving Money” to *Sending Money*.

### **4.1 Our Execution of Your Payment Orders**

The last sentence of our previous clause 3.1 has been removed and the remainder of the clause has been moved to now being clause 4.1.

### **4.2 Your Payment Order For a Payment to Another User**

Our new clause 4.2 *Your Payment Order For a Payment to Another User* deals with Payment Orders that you give PayPal to pay another PayPal User:

*Subject to the terms of this User Agreement, your Payment Order for a payment to another User (whether a Personal Transaction payment or a Commercial Transaction payment) is your instruction and authorization to us to transfer E-Money from the Payment Account element of your Balance to that User as further directed in your Payment Order. Where you have insufficient Balance or have chosen a Preferred Funding Source you are also requesting us to obtain funds on your behalf from your applicable Funding Source and issue E-Money to the Payment Account element of your Balance for your payment to be made.*

### **4.3 Your Payment Order For a Withdrawal**

Our new clause 4.3 *Your Payment Order for a Withdrawal* deals with Payment Orders that you give PayPal to withdraw funds from a Balance on your PayPal Account:

*Subject to the terms of this User Agreement, your Payment Order for a withdrawal from your PayPal Account is your instruction and authorization to us to redeem E-Money from your Balance. Section 6 further applies to this type of Payment Order.*

### **4.4 Insufficient Funds in Your Balance**

The last sentence that we have removed from our previous clause 3.1 has been formed into a provision of its own and is now our new clause 4.4 *Insufficient Funds in Your Balance*:

*We are under no obligation to execute your Payment Order if you do not have sufficient funds in your PayPal Account or in your Funding Source. PayPal reserves the right not to effect a payment made by you until it receives cleared funds (this also means, without limitation, that PayPal is not obliged to settle a refund transaction before having received funding for the original transaction).*

## **4.5 Sending Limits**

Our previous clause 3.2 Sending Limits has been slightly amended as set out below and is now clause 4.5:

If you have a sending limit on your PayPal Account, you can view it by logging into your PayPal Account and clicking on the “View your account limits” link on the “Account Overview” page. We may, at our reasonable discretion (for example, without limitation, to limit fraud or credit risk), impose limits on the amount of money you can send through the PayPal Services in order to minimize the risk of payment losses or fraud. *To lift your sending limit, you must follow the steps that we will notify to you or publish from time to time (which we may set out in your Account Overview).*

## **4.6 Refused Transactions**

Our previous clause 3.8 has been moved to now being clause 4.6.

## **4.7 Merchant Processing Delay**

Our previous clause 3.9 has been moved to now being clause 4.7.

## **4.8 Pre-Approved Payments**

Our previous clause 3.10 Third party initiated payments has been renamed to *Pre-Approved Payments* and is now clause 4.8.

## **4.9 Cancelling a Pre-Approved Payment**

Our previous clause 3.11 Cancelling Recurring Payments has been renamed to *Cancelling a Pre-Approved Payment* and is now clause 4.9.

## **4.10 Sending E-Money in Multiple Currencies**

Our previous clause 3.12 has been moved to now being clause 4.10.

## **5. Receiving E-Money**

Our previous Section 4 Receiving E-Money is now Section 5 and has otherwise not seen further amendments.

## **6. Withdrawing/Redeeming E-Money**

Section 6 has been renamed from “Withdrawing Money” to *Withdrawing/Redeeming E-Money*.

### **6a. Kauf auf Rechnung**

## **6a.6 Representations and Warranties; Legal Consequences of a Breach**

We have added 2 new sub-sections e. and f. to the list of Warranties in clause 6a.6:

- e. The Merchant shall be in compliance with all requirements set forth in the documentation of the integration provided to the Merchant;*
- f. The Merchant shall only enter into PayPal Invoice Contracts for physical goods and not for intangible goods or services, unless these intangible goods or services are in direct relationship with the purchased physical good (such as shipping or assembly costs);*

## **6c. Payment After 14 Days**

We have integrated the previously separate provisions regarding Payment After 14 Days (in German: “Bezahlung nach 14 Tagen”) into the PayPal User Agreement as a new Section 6c:

### *6c. Payment after 14 Days*

#### *6c.1 Eligibility*

*PayPal offers the possibility to some consumers to use “Payment after 14 Days” (in German: “Bezahlung nach 14 Tagen”). PayPal however reserves the right to decide whether you may use “Payment after 14 Days”. Eligibility criteria include but are not limited to transaction activity. You are therefore not entitled to claim the right to use “Payment after 14 Days”. “Payment after 14 Days” is not available for commercial use.*

#### *6c.2 How “Payment after 14 Days” works*

*When you do a payment with “Payment after 14 Days”, the recipient (merchant) will receive the transaction amount immediately in his PayPal account. The transaction amount will be debited from your bank account via direct debit no sooner than at least 14 days from the date of the transaction.*

#### *6c.3 Direct debit*

*In order to use “Payment after 14 Days”, you must have a valid bank account linked with your PayPal Account, and identified it as your primary bank account or preferred funding source or selected the bank account as Funding Source in the payment process. “Payment after 14 Days” may not be used with other funding sources such as for example credit card. The entire transaction amount will be funded from the primary bank account linked to your PayPal Account, even if you have a balance in this PayPal Account.*

*For each payment using “Payment after 14 Days”, you authorize PayPal to debit the primary bank account for the full payment amount no sooner than at least 14 days after*

*the transaction date. The exact date, on which your bank account will be debited, is going to be displayed in your PayPal Account statement and in an email which is sent to you.*

*If the initial direct debit is rejected or if insufficient funds are available, you authorize PayPal to resubmit the instruction for a direct debit. If the second debit fails as well, PayPal may use one of the other existing funding sources to obtain the transaction amount. The hierarchy of Funding Sources as defined in clause 3.7 applies.*

#### *6c.4 Choice of funding source*

*As usual, PayPal will always use your Balance in your PayPal Account to fund your payment in case it covers the entire transaction amount. In this case, "Payment after 14 Days" will not be available.*

*However, even when you have registered for "Payment after 14 Days", you may choose a different Funding Source for each transaction. That means that you may decide for each transaction whether you want to use "Payment after 14 Days" or another available Funding Source such as credit card, Balance or direct debit without the functionality "Payment after 14 Days". If you selected "Payment after 14 Days" as your preferred payment method, you can deselect this option in your PayPal Account.*

#### *6c.5 Availability, suspension, and termination of "Payment after 14 Days" by PayPal*

*In some instances, "Payment after 14 days" will not be available for single transactions even though you are generally eligible for "Payment after 14 days".*

*PayPal has the right, at any time, to terminate, cancel, suspend or modify "Payment after 14 Days", qualifications or eligibility for "Payment after 14 Days", or your ability to use "Payment after 14 Days". Transaction which you have already initiated will still be performed.*

#### *6c.6 Customer Verification*

*You can use "Payment after 14 Days" for purchases up to EUR 15,000.00 and above. However, once you have made purchases totaling EUR 15,000.00 or more, you will be asked to confirm some information about your identity. Upon successful completion of the identity check you can continue using "Payment after 14 Days".*

### **7. Term and Closing Your PayPal Account**

We have consolidated Section 7 from previously being broken down into 3 sub-sections into one section:

Your Agreement with us starts when you successfully register for a PayPal Account and ends when your Account is closed for whatever reason, except that this Agreement survives termination to the extent and for so long as we require to deal with the closure of

your Account and to comply with applicable laws and regulations (including, without limitation sections 1, 7, 8, 10, 14, 15, and Schedule 1).

You can close your PayPal Account at any time by logging into your PayPal Account, clicking on the "Profile" tab, clicking on the "Close Account" link, and then following the instructions. See the PayPal Help Center for more details.

We may close your PayPal Account at our convenience by providing you with 2 months prior notice. We may also close your PayPal Account at any time where:

- You are in breach of the terms of this User Agreement and/or we are entitled to close your PayPal Account under clause 10.2;
- You do not access your PayPal Account for 3 years; or
- We suspect that your PayPal Account has been accessed without your authorization.

Where we decide to close your PayPal Account we will provide you with notice of PayPal Account closure, and where practicable, the reasons for closing your PayPal Account, together with the ability to withdraw any undisputed funds that we are holding.

When your PayPal Account is closed:

- We may cancel any pending transactions and you will forfeit any Balances associated with Special Funding Arrangements;
- We may suspend, limit or terminate your access to or use of the PayPal Services, websites, software, systems (including any networks and servers used to provide any of the PayPal Services) operated by us or on our behalf or some or all of the PayPal Services;
- You will remain liable for all outstanding obligations under this User Agreement related to your PayPal Account prior to closure:
  - We may keep your PayPal Account information in our database for the purpose of fulfilling our legal obligations; and
  - We may retain your Balance after closure to the extent and for the time we reasonably require to protect PayPal and/or any third party against the risk of Reversals, Chargebacks, Claims, fees, fines, penalties and other liabilities of whatever nature. After this time you will be able to withdraw any undisputed funds that we are holding. Please contact PayPal Customer Service if you have any questions about funds held in your PayPal Account on closure.

**If you are the legal representative of an incapacitated or deceased Account holder, please contact the PayPal Customer Service for assistance.**

## **9. Restricted Activities**

### **9.1 Restricted Activities**

In clause 9.1 Restricted Activities we have made a couple of additions:

- w. Take any action that imposes an unreasonable or disproportionately large load on the Services, our infrastructure, our websites, our software, or our systems (including any networks and servers used to provide any of the Service) whether operated by us or on our behalf;
- x. Facilitate any viruses, Trojan horses, malware, worms or other computer programming routines that attempt to or may damage, disrupt, corrupt, misuse, detrimentally interfere with, surreptitiously intercept or expropriate or gain unauthorized access to any system, data or Information or the Services;
- z. Use any device, software or routine to bypass our robot exclusion headers, or interfere or disrupt or attempt to interfere with or disrupt the PayPal Website(s), software, systems (including any networks and servers used to provide any of the PayPal Services) operated by us or on our behalf, any of the PayPal Services or other Users' use of any of the PayPal Services;

*ij. Suffer (or cause us to determine that there is a reasonable likelihood of) a security breach of your website or systems that could result in the unauthorized disclosure of customer information.*

## **10. Your Liability – Actions We May Take**

### **10.1 Your Liability**

#### **10.2 d. Temporary Holds for Disputed Transactions on Seller Accounts**

We have added a sentence to clause 10.2 d as now being the third-last sentence:

*You may also cancel this authorization and instruction by contacting the PayPal Customer Service.*

#### **10.2 Actions by PayPal**

We have added a new sub-clause k. to clause 10.2:

- k. *We may suspend, limit, or terminate your access to the PayPal Services, websites, software, systems (including any networks and servers used to provide any of the PayPal Services) operated by us or on our behalf, and your data.*

#### **10.3 Limited Access**

Clause 10.3 has been renamed from “Termination, Account Closure, and Limited Access” to *Limited Access* and the first two paragraphs as well as the first sentence of the third paragraph have been removed.

## **10.7 Information About You**

In clause 10.7 we have added a sub-headline *a. Request Additional Information* and added a new sub-clause *b. Getting Verified*:

**b. Getting Verified**

*To obtain Verified status you must set up Direct Debit and complete the Bank Confirmation process.*

*PayPal may, from time to time, make available to you other methods or procedures for you to obtain “Verified” status. By highlighting a User as “Verified” PayPal only represents that the Verified user has completed the steps of the process to obtain “Verified” status. Further to section 1.1 and by attributing Verified status to a user, PayPal neither guarantees, undertakes nor otherwise represents that a Verified user will complete a payment transaction.*

## **10.8 Disclosure of Reasons for Our Actions**

We have added a new clause 10.8 *Disclosure of Reasons for Our Actions*:

*Our decisions to take the actions set out in this Section 10 and any other actions we take under this User Agreement, whether they restrict or extend your access to the PayPal Services, our infrastructure, our websites, our software or our systems (including any networks and servers used to provide any of the PayPal Services) whether operated by us or on our behalf (including, without limitation, any blockages, limitations, suspensions, terminations, holds and reserves) may be based on confidential criteria that are essential to our management of risk and the protection of PayPal, our customers and/or service providers. In addition, we may be restricted by regulation or a governmental authority from disclosing certain information to you about such decisions. We have no obligation to disclose the details of our risk management or security procedures or our confidential information to you.*

## **15. General**

We have split up our previous Section 14. Disputes with PayPal into two sections and therefore created a new Section 15. *General*.

### **15.1 Governing Law and Jurisdiction**

Our previous clause 14.3 has been moved to now being clause 15.1.

### **15.2 No Waiver**

Our previous clause 14.4 has been moved to now being clause 15.2.

### **15.3 No Warranty and Limitations to the Availability of PayPal Services**

Our previous clause 14.5 has been moved to now being clause 15.3 and some amendments have been made for clarification purposes:

*We provide to you the PayPal Services, our infrastructure, our website(s), our software, and systems (including any networks and servers used to provide any of the PayPal Services) whether operated by us or on our behalf subject to your statutory rights but otherwise without any warranty or condition, express or implied, except as specifically stated in this User Agreement.*

PayPal does not have any control over the products or services that are paid for with the PayPal Services and PayPal cannot ensure that a Buyer or a seller you are dealing with will actually complete the transaction or is authorized to do so.

Further, PayPal is not in the position to provide in all circumstances an uninterrupted, continuous and secure access to *any of the PayPal Services, our infrastructure, our websites, our software, and systems (including any networks and servers used to provide any of the PayPal Services) whether operated by us or on our behalf.* We shall not be liable for any delay in the failure in our provision of the Services, our infrastructure, our websites, our software, and systems (including any networks and servers used to provide any of the PayPal Services) whether operated by us or on our behalf.

You further acknowledge your access to the PayPal Services, *our infrastructure, our websites, our software, and systems (including any networks and servers used to provide any of the PayPal Services) whether operated by us or on our behalf,* may be occasionally restricted to allow for repairs, maintenance or the introduction of new facilities or services.

PayPal will make reasonable efforts to ensure that requests for electronic debits and credits involving bank accounts and credit cards are processed in a timely manner.

You must check all correspondence between us carefully and tell us as soon as possible if it includes something which appears to you to be wrong or not made in accordance with your instructions.

*In the event that PayPal decides to discontinue any of the PayPal Services or any portion or feature of the PayPal Services for any reason, PayPal will give you at least 2 months' prior notice before discontinuing the service or feature, unless PayPal determines in its good faith judgement that: (a) such service or feature must be discontinued sooner as required by law or a third party relationship; or (b) doing so could create a security risk or substantial economic or material technical burden.*

You alone are responsible for understanding and complying with any and all laws, rules and regulations of your specific jurisdiction that may be applicable to you in connection with your use of the PayPal Services, including but not limited to, those related to export or import activity, taxes or foreign currency transactions.

## **15.4 Limitations of Liability**

Our previous clause 14.6 has been moved to now being clause 15.4.

## **15.5 Indemnification/re-imbursement**

Our previous clause 14.7 has been moved to now being clause 15.5 and has been amended:

You agree to defend, reimburse or compensate us (known in legal terms to "indemnify") and hold PayPal, our other companies in our corporate group, the people who work for us or who are authorized to act on our behalf (*including, without limitation, our service providers*) harmless from any claim or demand (including legal fees) made or incurred by any third party due to or arising out of your, your employees or agent's (*or, where a third party otherwise acts on your behalf with your permission, that third party's actions and/or inactions*) breach of this User Agreement, breach of any law, *breach of the rights of a third party, use of your PayPal Account and/or use of the PayPal Services, our infrastructure, our website(s), our software, and or systems (including any networks and servers used to provide any of the PayPal Services) operated by us or on our behalf.*

## **15.6 Entire Agreement and Third Party Rights**

Our previous clause 14.8 has been renamed to *Entire Agreement and Third Party Rights*, has been moved to now being clause 15.6 and the second sentence of the previous clause 14.8 has been removed.

## **15.7 Intellectual Property and Software License Grant**

Our previous clause 14.9 has been moved to now being clause 15.7 and has been amended:

If you are using PayPal software such as an API, developer's toolkit or other software application which may include software provided by or integrated with software, systems or services of our service providers that you have downloaded to or otherwise accessed through your computer, device, or other platform, then PayPal and its licensors grant you a revocable, non-exclusive, non-sublicenseable, non-transferable, royalty-free and limited license to access and/or use PayPal's software in accordance with the documentation, including all updates, upgrades, new versions and replacement software, as described herein for your personal use only. You may not rent, lease or otherwise transfer your rights in the software to a third party.

You must comply with the implementation, access, and use requirements contained in all documentation, together with any instructions provided by us from time to time accompanying the PayPal Services (including, without limitation, any implementation and use requirements we impose on you to comply with applicable laws and card scheme rules and regulations).

If you do not comply with PayPal's instructions, implementation and use requirements you will be liable for all resulting damages suffered by you, PayPal and third parties. PayPal may update or discontinue any software upon notice to you. While PayPal may have (a) integrated certain third party materials and technology into any web or other application, including its software, and/or (b) accessed and used certain third party materials and technology to facilitate providing you with the Services, you have not been granted and do not otherwise retain any rights in or to any such third party materials. You agree not to modify, alter, tamper with, repair, copy, reproduce, adapt, distribute, display, publish, reverse engineer, translate, disassemble, decompile or otherwise attempt to create any source code which is derived from the software or any third party materials or technology, or otherwise create any derivative works from any of the software or third party materials or technology. You acknowledge that all rights, title and interest to PayPal's software are owned by PayPal and any third party materials integrated therein are owned by PayPal's third party service providers.

Any third party software application you use on the PayPal Website(s) is subject to the license you agreed to with the third party that provides you with this software. You acknowledge that PayPal does not own, control nor have any responsibility or liability for any third party software application you elect to use on any of our websites , software, and/or in connection with the PayPal Services. If you are using the PayPal Services on the PayPal Website(s), or other website or platform hosted by PayPal or a third party, and are not downloading PayPal's software or using third party software applications on the PayPal Website(s), then this section does not apply to your use of the hosted PayPal Services.

## **15.8 Intellectual Property – Content License Grant**

The provision of our previous clause 1.3 has been moved to now being clause 15.8 and we have added sub-headlines for better readability.

## **15.9 Third Party Permissions**

Our previous clause 14.10 has been moved to now being clause 15.9.

## **15.10 PayPal as a Login Method**

Our previous clause 2.4 has been moved to now being clause 15.10.

## **15.11 Corporate Customers**

Our previous clause 14.11 has been moved to now being clause 15.11.

## **Annex 1. Schedule of Fees**

### **A2.1 Domestic Personal Transactions**

Clause A2.1 has been amended as follows:

*Domestic Personal Transactions for both sending and receiving are free as long as no currency conversion is required for the transaction.*

#### **A4.4 PayPal Mass Payments**

In clause A4.4 we have amended the fee caps for Merchants' use of PayPal Mass Payments. Please see the PayPal User Agreement for further details on the new fees.

### **UPDATES TO the paypal buyer protection policy**

We have made some additions to the PayPal Buyer Protection Policy for clarification purposes:

#### **3.2 Exceptions**

In clause 3.2 we have added further bullet points to the list of exceptions:

[...]

- *Personal Transactions,*

[...]

- Payments to state-run bodies, (except for state-owned enterprises) *or traders acting on mandates received from state-run bodies*

[...]

- *Payments made in respect of gold (whether in physical form and in exchange-traded form); and*
- *PayPal Mass Payments transactions.*

### **updates to the paypal seller protection policy**

We have also made amendments to the PayPal Seller Protection Policy for clarification purposes:

#### **2. Coverage**

We have added two bullet points to the list in Section 2 Coverage:

- Payments made in respect of gold (whether in physical form or in exchange-traded form),

- PayPal Mass Payments transactions.

## Updates to the paypal privacy policy

### 3. How We Use the Personal Information We Collect

In Section 3 we have removed “where PayPal facilities are located” from the first sentence.

### 6. How We Share Personal Information with Other Third Parties

Section 6 has been supplemented by additions:

Just like most banks or financial/payment service providers, PayPal works with third-party service providers, which provide important functions to us that allow us to be an easier, faster, and safer way to make payments, and other business partners. We need to disclose user data to them from time to time so that the services can be performed.

In general, the Luxembourg laws to which PayPal’s handling of user data is subject (data protection and bank secrecy) require a higher degree of transparency than most other EU laws. This is why, unlike the vast majority of providers of internet-based services or financial services in the EU, PayPal has listed in this Privacy Policy the third party service providers and business partners to whom we may disclose your data, together with the purpose of disclosure and type of information disclosed. You will find a link to those third parties [here](#) as well as in paragraphs a, d and g below. By accepting this Privacy Policy and maintaining an account with PayPal, you expressly consent to the transfer of your data to those third parties for the purposes listed.

PayPal may update the list of third parties referred to above every quarter (January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>). PayPal will only start transferring any data to any of the new entities or for the new purposes or data types indicated in each update after 30 days from the date where that list is made public through this Privacy Policy. You should review the list each quarter on the PayPal website on the dates stated above. If you do not object to the new data disclosure, within the 30 days after the publication of the updated list of third parties, you are deemed to have accepted the changes to the list and to this Privacy Policy. If you do not agree with the changes, you may close your PayPal Account and stop using our services.

PayPal will not sell or rent any of your personal information to third parties for their marketing purposes without your explicit consent. PayPal will only disclose this information in the limited circumstances and for the purposes described in this Privacy Policy. This includes transfers of data to non-EEA member states.

*In order to provide the PayPal Services, certain of the information we collect (as set out in section 2) may be required to be transferred to other PayPal group entities or other*

*entities, including those referred to in section 6 in their capacity as payment providers, payment processors or account holders (or similar capacities). You acknowledge that according to their local legislation, such entities may be subject to laws, regulations, inquiries, investigations, or orders which may require the disclosure of information to the relevant authorities of the relevant country. Your use of the PayPal Services constitutes your consent to our transfer of such information to provide you the PayPal Services.*

Specifically, you consent to and direct PayPal to do any and all of the following with your information:

- a. Disclose Account Information to the police and other law enforcement agencies, security forces, competent governmental, intergovernmental or supranational bodies, competent agencies, departments, regulatory authorities, self-regulatory authorities or organizations (including, without limitation, the Agencies referenced in the “Agencies” section of the Third Party Provider List and other third parties, including PayPal Group companies, that *(i) we are legally compelled and permitted to comply with, including but without limitation the Luxembourg laws of 24 July 2015 on the US Foreign Account Tax Compliance Act (“FATCA Law”) and 18 December 2015 on the OECD common reporting standard (“CRS Law”); (ii) we have good reason to believe it is appropriate for us to cooperate with investigations of fraud or other illegal activity or potential illegal activity, or (iii) to conduct investigations of violations of our User Agreement (including, without limitation, your funding source or your credit or debit card provider).*

*If you are covered by the FATCA or CRS Law, we are required to give you notice of the information about you that we may transfer to various authorities. Please read more about PayPal's obligations under the FATCA and CRS Law and how they could affect you as well as take note of the information we may disclose as result.*

We and other organizations, including parties that accept PayPal, may also share, access and use this necessary information (including information from other countries) to help us and them assess and manage risk (including, without limitation, to prevent fraud, money laundering and terrorist financing). Please [contact us](#) if you want to receive further details of the relevant fraud prevention agencies. For more information on these Agencies, fraud prevention agencies, and other third parties, click [here](#).

- b. Disclose Account Information to intellectual property right owners if under the applicable national law of an EU member state they have a claim against PayPal for an out-of-court information disclosure due to an infringement of their intellectual property rights for which PayPal Services have been used (for example, but without limitation, Sec. 19, para 2, sub-section 3 of the German Trademark Act or Sec. 101, para 2, sub-section 3 of the German Copyright Act).*

- c. Disclose necessary information in response to the requirements of the credit card associations or a civil or criminal legal process.*

- d. If you as a merchant use a third party to access or integrate PayPal, we may disclose to any such partner necessary information for the purpose of facilitating and maintaining such an arrangement (including, without limitation, the status of your PayPal integration, whether you have an active PayPal account and whether you may already be working with a different PayPal integration partner).
- e. Disclose necessary information to the payment processors, auditors, customer services providers, credit reference and fraud agencies, financial products providers, commercial partners, marketing and public relations companies, operational services providers, group companies, agencies, marketplaces and other third parties listed. The purpose of this disclosure is to allow us to provide PayPal Services to you. We also set out in the under each “Category”, non-exclusive examples of the actual third parties (which may include their assigns and successors) to whom we currently disclose your Account Information. Together with the purpose of doing so, and the actual information we disclose (except as explicitly stated, these third parties are limited by law or by contract from using the information for secondary purposes beyond the purposes for which the information was shared).
- f. Disclose necessary information to your agent or legal representative (such as the holder of a power of attorney that you grant, or a guardian appointed for you).
- g. Disclose aggregated statistical data with our business partners or for public relations. For example, we may disclose that a specific percentage of our users live in Manchester. However, this aggregated information is not tied to personal information.
- h. Share necessary Account Information with unaffiliated third parties (listed ) for their use for the following purposes:
  - i. Fraud Prevention and Risk Management: to help prevent fraud or assess and manage risk. For example, if you use the PayPal Services to buy or sell goods using eBay Inc. or its affiliates (“eBay”) we may share Account Information with eBay in order to help protect your accounts from fraudulent activity, alert you if we detect such fraudulent activity on your accounts, or evaluate credit risk.

As part of our fraud prevention and risk management efforts, we also may share necessary Account Information with eBay in cases where PayPal has placed a hold or other restriction on your account based on disputes, claims, chargebacks or other scenarios regarding the sale or purchase of goods. Also, as part of our fraud prevention and risk management efforts, we may share Account Information with eBay to enable them to operate their programmes for evaluating buyers or sellers.
  - ii. Customer Service: for customer service purposes, including to help service your accounts or resolve disputes (e.g., billing or transactional).

- iii. Shipping: in connection with shipping and related services for purchases made using PayPal.
- iv. Legal Compliance: to help them comply with anti-money laundering and counter-terrorist financing verification requirements.
- v. Service Providers: to enable service providers under contract with us to support our business operations, such as fraud prevention, bill collection, marketing, customer service and technology services. Our contracts dictate that these service providers only use your information in connection with the services they perform for us and not for their own benefit.

**Mergers or Acquisitions:** As with any other business, it is possible that in the future PayPal could merge with, or be acquired by, another company. If such an acquisition occurs, you consent to the successor company having access to the information maintained by PayPal, including customer Account Information, and such successor company would continue to be bound by this Privacy Policy unless and until it is amended.

**Third Party Sites:** If you open a PayPal account directly on a third party website or via a third party application, any information that you enter on that website or application (and not directly on a PayPal website) will be shared with the owner of the third party website or application. These sites are governed by their own privacy policies and you are encouraged to review their privacy policies before providing them with personal information. PayPal is not responsible for the content or information practices of such third parties.

This page shall serve as advance information for PayPal Users with regards to important upcoming changes of the PayPal Services, the PayPal User Agreement, and other policies (collectively “**Legal Agreements**”).

Please read the information on this page carefully.

PayPal will change its Legal Agreements with effect to **November 19, 2016**.

You do not need to do anything to accept the changes as they will automatically come into effect on **November 19, 2016**.

Should you decide you do not wish to accept the changes you can notify us before **November 19, 2016** to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

All changes and updates to the Legal Agreements are on this page highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

Amendments made for linguistic adjustment, to correct or remove orthographical and grammatical mistakes, or changes to the formatting are not highlighted.

## **Updates to the PayPal User Agreement**

### **1.3 Intellectual property**

In clause 1.3 we have added a new paragraph, which is now the second to last paragraph in this clause and directed at merchants only:

*You grant the PayPal Group the worldwide right to use and depict your business name, trademarks and logos on our website and in our mobile and web applications for the purpose of displaying information about your business and its products and services.*

### **3.12 Sending E-Money in Multiple Currencies**

In the table we have removed the currencies *Argentine peso* and *Turkish lira* as E-Money cannot be sent in these currencies any longer.

### **4.4 Non-discouragement**

Here we have inserted a new second paragraph with a list and we have supplemented which is now the third paragraph regarding surcharging – this amendment is as well only directed at merchants:

*At all of your points of sale (in whatever form)*

- a. *you shall not dissuade or inhibit your customers from using the PayPal Services, and*
- b. *if you enable your customers to pay you using the PayPal Services, you shall treat the service marks or trademarks of PayPal at least at par with other payment methods offered.*

*PayPal does not encourage surcharging.* You agree that you will only surcharge for the use of the *PayPal Services* in compliance with any law applicable to you and *not in excess of the surcharging that you apply for the use of other payment methods.* You further agree that if you do surcharge a Buyer you, and not PayPal, will inform the Buyer of the requested charge as otherwise this may constitute a criminal offence by you.

### **5.4 Set-off of Balances**

We have supplemented the provision regarding set-off of Balances for clarification as follows:

*You agree that we may set-off any of the amounts held in your PayPal Accounts held or controlled by you with any fees, charges, or other amounts you owe us and (unless*

*prevented by insolvency law) any such amounts you owe other members of the PayPal Group (including, without limitation, in respect of any services provided by any member of the PayPal Group). In simple terms, our right to set-off means that we may deduct such fees, charges, or other amounts mentioned in this section from an Account Balance held or controlled by you.*

## **6a. “Kauf auf Rechnung”**

Section 6a. has seen the most extensive amendments and is for better traceability repeated in its full new text here:

### **6a. Kauf auf Rechnung (*GERMAN LAW APPLICABLE IN THIS RESPECT*)**

#### **6a.1 ”Kauf auf Rechnung”**

*Many merchants want to offer to their buyers, who are consumers and provide a place of residence in Germany (“**Customers**”), the opportunity to purchase goods or services in their online shop on account and pay by electronic funds transfer. For this purpose PayPal has developed a payment upon invoice product (“**Kauf auf Rechnung**”). The Use of Kauf auf Rechnung requires a separate integration. There shall be no entitlement to the eligibility for Kauf auf Rechnung. PayPal reserves the right not to offer Kauf auf Rechnung to a merchant and to terminate or limit Kauf auf Rechnung in full or in part at any time, including but not limited to the right not to purchase receivables of purchases of certain products, product group, or from certain industries.*

*In the scope of Kauf auf Rechnung PayPal purchases from the Merchant all receivables against a Customer of the Merchant which arise from the use of the Kauf auf Rechnung product (“**PayPal Invoice Contracts**”). PayPal will credit the purchase price for the receivables to the Merchant’s PayPal Account after completion of the order by the Customer and before the Customer settles the bill and pays the outstanding amount to PayPal.*

#### **6a.2 Conditions for the use of Kauf auf Rechnung by Customers**

*Kauf auf Rechnung may be used for transaction amounts between EUR 1.50 and EUR 1,500.00.*

*PayPal will in its own name perform an identity and credit check on the Customer (“**Credit Check**”) as soon as the Customer chooses Kauf auf Rechnung. Kauf auf Rechnung shall not be offered to a Customer if the result of the Credit Check has resulted in the ineligibility of the Customer for the intended PayPal Invoice Contract. PayPal has the right to perform this Credit Check at its own standards and to rate Customers as eligible or ineligible for Kauf auf Rechnung. If PayPal determines that a Customer is ineligible for Kauf auf Rechnung, the Customer will immediately be shown a declining message. A PayPal Invoice Contract will not be concluded in this case. The Customer will be reverted back to the payment selection page of the Merchant.*

You authorize PayPal to agree upon terms of use with the *Customer* for Kauf auf Rechnung, which shall define the specific terms of the *PayPal Invoice Contract* (including, but not limited to late fees for which the *Customer* is responsible if in default).

*To be able to use Kauf auf Rechnung, the Customer is obliged to agree with the Terms of Use for Kauf auf Rechnung, the Privacy Policy for Users without PayPal Account and the information about the Credit Check. These terms may all be retrieved from the PayPal Website at <http://www.paypal.de/agb> in German and English language for inspection and download.*

### **6a.3 Sale and Assignment of Receivables**

*The Merchant hereby offers PayPal to purchase all its receivables and rights against the Customer deriving from PayPal Invoice Contracts concluded after the date of introduction including any associated charges (including but not limited to shipping costs) and fees (collectively “**Assigned Receivables**”). PayPal accepts this purchase offer. The Merchant hereby irrevocably assigns the Assigned Receivables to PayPal. PayPal hereby accepts the assignment of the Assigned Receivables.*

The assignment of an Assigned Receivable to PayPal shall be effective as soon as the Assigned Receivable comes into existence.

The Merchant is obliged to inform PayPal of the amount of each Assigned Receivable via API call immediately after completion of the order process.

PayPal may resell and assign the Assigned Receivables (e.g. for purposes of collection) without any restrictions.

### **6a.4 Purchase Price for Assigned Receivables; Fees**

The Purchase Price for Assigned Receivables (“**Purchase Price**”) is the result of

- The price for the goods or services agreed upon between the Merchant and the *Customer* plus
- Charges and fees (e.g. shipping costs) payable by the *Customer* minus
- Fees payable by Merchant according to Schedule 1 (Table of Fees).

The Purchase Price is due immediately after the *Customer* completes the order process. In order to pay the Purchase Price PayPal will credit the Merchant’s PayPal Account with an E-Money amount equal to the Purchase Price.

### **6a.5 Rights of recourse and rescission**

PayPal shall not have a right of recourse against the Merchant, if the *Customer* is not able or willing to pay the Assigned Receivables due in a timely manner (“factoring without recourse”) nor in cases where the *Customer* commits fraud, e.g. by submitting a false

name, address or bank account data. This only applies if the payment has been shown to the Merchant as completed in the Merchant's PayPal Account.

If a *Customer* asserts the defense of non-fulfilment of contract (e.g. item not received) or if a Buyer refuses payment by asserting other defenses or objections, PayPal may take recourse with the Merchant unless the Merchant can provide valid proof of shipment in accordance with the terms of the PayPal Seller Protection Policy.

In the event that *the Customer disengages from the purchase (including, but not limited to rescinding, canceling, or revoking the purchase)*, the Merchant shall immediately inform PayPal of such disengagement *via an API call or through the PayPal Account of the Merchant* by voiding/cancelling the transaction in the Merchant's PayPal Account, choosing the return option in the Merchant's PayPal Account, or informing PayPal of the demand for a price reduction, respectively, and by returning the Purchase Price to PayPal via Merchant's PayPal Account immediately. The same applies mutatis mutandis to partial disengagement (e.g. partial return) *or reduction*. In such case, the Merchant *shall reimburse PayPal for any amounts already overpaid to the Merchant (if any). PayPal shall also reimburse an overpaid amount to the Merchant, if any.*

#### **6a.6 Representations and Warranties; Legal Consequences of a Breach**

*The Merchant hereby represents – irrespective of fault, whether willful or negligent – that the following is true and correct at the time of conclusion of this Agreement, when the assignment becomes effective and at any point in time thereafter for the Assigned Receivables (collectively “**Representations**”):*

- a. *The Merchant is the sole and unlimited legal and beneficial owner of the Assigned Receivables;*
- b. *The Merchant holds the full right to transfer, with full title guarantee, any and all of the Assigned Receivables;*
- c. *The Assigned Receivables, including all ancillary rights, are valid (with the exception of the Customer fraud as set out above in Section 6a.5);*
- d. *The Assigned Receivables have not been assigned to any third party, in particular, but without limitation, they are not subject to extended retention of title agreements (in German: verlängerter Eigentumsvorbehalt), floating charges, global assignments (in German: Globalzession) or similar security granted to third parties except for security agreements where the Merchant has been authorized to dispose of the Assigned Receivables as required under this User Agreement;*

*For the entire term of use of Kauf auf Rechnung (if not stated otherwise hereinafter) the Merchant undertakes the following vis-à-vis PayPal (collectively “**Warranties**”):*

- a. *The Merchant shall not autonomously collect payments relating to the Assigned Receivables;*
- b. *The Merchant shall deliver all products or services underlying any Assigned Receivables in full, without delay and as agreed to the Customer;*

- c. *The Merchant undertakes to send or render all products or services within 7 days of the completion of a transaction;*
- d. *The Merchant will notify the Customer of the assignment of the Assigned Receivables to PayPal and provide to the Customer the payment instructions using the data received from PayPal via an API call and shall also include these payment instructions on its invoice to the Customer;*
- e. *The Merchant shall use its best effort to ensure the validity of the assignment, shall not impair the Assigned Receivables in their existence or their commercial usability, shall ensure the best commercial usability of the Assigned Receivables and shall notify PayPal without undue delay if existence or commercial usability of the Assigned Receivables is considerably impaired;*
- f. *The Merchant shall upon request by PayPal take such actions necessary or required to ensure the rights of PayPal to the Assigned Receivables or to exercise such rights;*
- g. *The Merchant shall support PayPal with the performance of debt collection measures regarding the Assigned Receivables by providing to PayPal proof of shipment or other compelling evidence regarding the existence, the value, or effectiveness of the Assigned Receivables;*
- h. *The Merchant shall pay Value Added Tax (VAT on Assigned Receivables. The Merchant authorizes PayPal to pay VAT to the competent financial authority and to request reimbursement from the Merchant. PayPal is entitled to set-off this reimbursement claim against a Purchase Price claim of the Merchant. PayPal shall notify the Merchant of such set-off. The Merchant shall transfer to PayPal such VAT amounts that have been refunded to the Merchant by the competent financial authority, if PayPal has notified the Merchant that Assigned Receivables are uncollectible. The net invoice amount shall be regarded as base for VAT assessment of a single receivable.*
- i. *The Merchant shall not grant any right of rescission to its Customers exceeding the applicable statutory right or rescission; this shall not apply if the Merchant sells goods using Kauf auf Rechnung on the German website of eBay at <http://www.ebay.de> under "eBayGuarantee". The Merchant can according to the provisions of "eBayGuarantee" grant to its Customers a right of rescission that exceeds the statutory right of rescission;*
- j. *The Merchant shall grant to its Customers a term of payment as instructed by PayPal;*
- k. *The Merchant shall not allow for subsequent changes of any data regarding the Assigned Receivables (including, but not limited to the delivery address).*

*If the Merchant is in breach of any of the Representations or Warranties herein, the Merchant shall inform PayPal hereof immediately and, if possible, cure such breach without undue delay. PayPal will set an adequate grace period for the cure of the breach to the Merchant. If the Merchant does not cure the breach within the grace period set by PayPal, PayPal shall be entitled to terminate the Merchant's use of Kauf auf Rechnung. The requirement of a grace period set by PayPal shall not apply, if a cure of the breach is a priori impossible. The Merchant is obliged to indemnify and hold PayPal harmless for any losses or damages that PayPal may suffer as a result of such breach of any Representation or Warranty.*

*If the Merchant is in breach of a Representation or Warranty and if (and as far as) PayPal has received on an Assigned Receivable an amount as per clause 6a.5 in an amount of the respective Assigned Receivable and if PayPal has terminated the use of Kauf auf Rechnung by*

*the Merchant or in full, PayPal shall reassign the Assigned Receivable to the Merchant as far as legally permissible.*

#### **6a.7 Indemnity**

Immediately upon completion of the order the Merchant shall notify the Buyer on the confirmation page of the Merchant's online shop of the assignment and the payment instructions contained in the data provided by PayPal via API call, and also add this data on the invoice to the Buyer.

The Merchant shall only capture the payment, once the items are ready for shipment, or the right to use the services has been granted, respectively. If authorization and capture of payment are executed jointly, the Merchant shall ship the items within 7 days after capture, or to grant the right to use the services, respectively.

The Merchant shall act on PayPal's instructions to take such action as is necessary to preserve or enforce PayPal's rights in the Assigned Receivables. Further, the Merchant is obliged to support PayPal in its collection efforts of the Assigned Receivables by providing necessary proof of shipment or other documents supporting the existence, value and validity of the Assigned Receivables as the case may be.

The Merchant shall immediately notify PayPal in case of any (partial) returns, rescissions, credits, or cancellations with regard to Kauf auf Rechnung via API call. The Merchant shall also notify PayPal in case of any material or systemic complaints received in relation to Kauf auf Rechnung.

The Merchant shall defend, indemnify and hold harmless PayPal against any claim by any third party including PayPal's legal expenses: (a) where Claim is due to or arising out of the Merchant's alleged (i) breach of any *Representation, Warranty*, or obligation in this User Agreement, (ii) violation of any applicable laws or regulations, or (iii) negligence or misconduct, or (b) where Claim asserts that the Merchant's technology (whether owned by the Merchant or licensed from a third party) or services provided under and used in accordance with this User Agreement, infringe such third party's intellectual property rights.

#### **6a.8 Data Protection**

Both PayPal and the Merchant agree and acknowledge that *both* PayPal and the Merchant will each be independently of *each other* acting as data controllers in respect of personal data processed by each of them. This User Agreement does not establish a basis for jointly exercising data controller powers over the relevant personal data.

Both PayPal and the Merchant undertake to comply with privacy law (as applicable to each of them) and the fulfilment of their respective obligations under this User Agreement and to procure that their respective personnel comply with privacy law.

Both PayPal and the Merchant agree and warrant that neither PayPal nor the Merchant shall knowingly do or omit to do anything in relation to personal data which either knows would put PayPal or the Merchant in breach of its obligations under the privacy law.

Both PayPal and the Merchant must provide such reasonable assistance to the other so that it may comply with such obligations as are imposed on it by the privacy law, including (but not limited to) providing the other with reasonable co-operation and assistance in complying with any request received from an individual for access to copies of personal data relating to them and to fulfil its statutory regulatory obligations in relation to any competent regulator. Any breach of the provisions of this clause shall be notified in writing by the breaching party to the other party as soon as reasonably practicable.

To ensure a smooth flow of *the use of Kauf auf Rechnung*, the Merchant provides to PayPal in particular name, address and email address of the *Customer*, goods and services sold, the amount due and other relevant data which will then appear as pre-filled data in the application flow but may be changed by the *Customer*. The Merchant shall ensure that it obtains all necessary data protection consents from the *Customer* to allow PayPal to fulfil its duties and exercise its rights under this User Agreement.

#### **6a.9 Termination rights of PayPal**

*PayPal is entitled to terminate the use of Kauf auf Rechnung by a Merchant in the following events with the respective notice periods set forth below:*

- a. *without notice if the Merchant is in breach with any of the Representations and Warranties (following fruitless expiration of an adequate period to cure such breach),*
- b. *without notice if the Merchant is in gross breach of an essential contractual obligation,*
- c. *in the event that (i) the Merchant becomes insolvent, (ii) insolvency procedures are filed regarding the assets of the Merchant and such procedures are not dismissed or suspended within 30 days, or (iii) a significant part of the assets of the Merchant is impounded, confiscated, or seized and such impound, confiscation, or seizure is not repealed within 10 days,*
- d. *according to the provisions of clause 10.3 of this User Agreement.*

#### **6a.10 Limitation of liability**

*The liability of PayPal and its agents in connection with Kauf auf Rechnung is excluded for cases of slight negligence. In all other cases the liability of PayPal and its agents is limited to an amount equal to 20.00% (twenty percent) of the total amount of Fees which the Merchant has paid to PayPal in the preceding calendar year for the use of Kauf auf Rechnung. Nothing in this clause shall limit the liability of PayPal for loss of life or limb or health or for a breach of a major obligation or for cases of gross culpability.*

### **10.1 Your liability**

As the letter a. felt a bit lonely, we have found a sub-headline to pay him company: *a. Failed Direct Debit; Accidental or Unjustified Debit Return*

### **10.3 Termination, Account Closure and Limited Access**

For clarification purposes we have supplemented the headline of clause 10.3 with the word *Termination*.

#### **Annex 1: A1.3.2 Fixed Fee**

In the table we have removed the currencies *Argentine peso* and *Turkish lira* (we know this already from the update to clause 3.12 and we will see this more often in this document).

Further we have in the table row Brazilian real removed the text in brackets (*0.40 BRL for Commercial Transaction payments*).

#### **Annex 1: A2.2.1 Fees for receiving Cross Border Transactions**

In the enumeration of recipient's countries we have removed *Turkey*.

Further we have removed the table row *Brazil – Anywhere – 1.00% - 5.99% + Fixed Fee*.

#### **Annex 1: A2.2.2 Country Groups**

We have removed *Turkey* from the definition of the Country Group Europe II.

#### **Annex 1: A4.1 Currency Conversion Fee**

In the table we have removed the currencies *Argentine peso* and *Turkish lira*.

#### **Annex 1: A4.2 Chargeback Fees**

In this table we have removed the currencies *Argentine peso* and *Turkish lira* as well.

#### **Annex 1: A4.4 PayPal Mass Payments**

In this clause we have not only removed the currencies *Argentine peso* and *Turkish lira*, but we have also adjusted the fee caps for Domestic Transactions using PayPal Mass Payments for the currencies *Brazilian real BRL 12.00* (previously BRL 15.00), *Israeli shekel ILS 25.00* (previously ILS 28.00), *Canadian dollar CAD 7.00* (previously CAD 8.00), and *US dollar USD 7.00* (previously USD 8.00).

#### **Annex 1: A4.8.1 Micro Pricing**

In the table we have adjusted the Variable Fee for receiving Cross Border Transactions to *12.00%* (previously 11.00%).

## Annex 1: A4.8.2 Fixed Fee for Micro Pricing

In this table we have not only removed the currencies *Argentine peso* and *Turkish lira*, but in addition we have adjusted the Micro Pricing Fixed Fee for some currencies. In the table below we only show the currencies and Fees that we have corrected:

Currency of micro payment received	micro pricing fixed fee
Australian dollar	0.05 AUD (previously 0.10 AUD)
Brazilian real	0.10 BRL (previously 0.20 BRL)
Pound sterling	0.05 GBP (previously 0.10 GBP)
Danish krone	0.43 DKK (previously 0.86 DKK)
Hong Kong dollar	0.39 HKD (previously 0.79 HKD)
Israeli shekel	0.20 ILS (previously 0.40 ILS)
Japanese yen	7.00 JPY (previously 14.00 JPY)
Canadian dollar	0.05 CAD (previously 0.10 CAD)
Mexican peso	0.55 MXN (previously 1.10 MXN)
New Taiwan dollar	2.00 TWD (previously 4.00 TWD)
New Zealand dollar	0.08 NZD (previously 0.16 NZD)
Norwegian krone	0.47 NOK (previously 0.94 NOK)
Philippine peso	2.50 PHP (previously 4.64 PHP)
Polish zloty	0.23 PLN (previously 0.80 PLN)
Swiss franc	0.09 CHF (previously 0.18 CHF)
Thai baht	1.80 THB (previously 3.36 THB)
Czech koruna	1.67 CZK (previously 3.34 CZK)
Hungarian forint	15.00 HUF (previously 30.00 HUF)
US dollar	0.05 USD (previously 0.10 USD)

## Updates to the PayPal Buyer Protection Policy

### 1. General

We have supplemented the first paragraph with term definitions:

PayPal Buyer Protection protects the Buyer if an item purchased has not been shipped (“**Item Not Received**” or “**INR**”) or if a shipped item is significantly not as described by the Seller (“**SNAD**”); see Section 4 below for details.

### **3. Eligibility**

We have supplemented our lonely number 3.1 with a sub-headline: *3.1 Payment methods*.

#### **3.2 Exceptions**

As number 3.2 should not remain lonely as well, we have given it a sub-headline and further we have supplemented the list of exceptions which are not eligible for PayPal Buyer Protection:

Purchases of most goods and services are eligible (including travel tickets, intangible items such as rights of access to digital content and other licenses), except for the following *transactions*:

- *Purchases of real estate* (including, without limitation, residential property),
- *Purchases of any interest in a business* (including, without limitation, any items or services forming part of a business or corporate acquisition),
- *Purchases of vehicles* (including, without limitation, motor vehicles, motorcycles, aircrafts, and boats; *except for personally portable light vehicles used for recreational purposes like bicycles and wheeled hoverboards*),
- *Payments on crowd-funding and/or crowd-lending platforms*,
- *Purchases of custom made items* (unless they are claimed to be *INR*),
- *Purchases of goods and services prohibited by the PayPal Acceptable Use Policy*,
- *Purchases of industrial machinery used in manufacturing*,
- *Purchases of items equivalent to cash* (including, without limitation, *stored value items such as gift cards and pre-paid cards*),
- *Gambling, gaming, and/or any activity involving a chance to win a prize*,
- *Payments made in respect of financial products and investments*,
- *Payments to state-run bodies, except for state-owned enterprises*,
- *Donations*,
- *Purchases of items which you collect in person or arrange to be collected on your behalf (including at a retail point of sale) and which you claim to be INR*.

The clauses 3.3, 3.4, and 3.5 are all happy to from now on have sub-headlines by their side.

#### **3.6 No recovery from other source**

For clarification purposes we have added a new clause 3.6:

#### **3.6 No recovery from other source**

*You have not received a recovery for that purchase from another source.*

The former clause 3.6 is now clause 3.7 and the “new” sub-clause 3.7.1 and 3.7.2 don’t have to be single anymore and have sub-headlines to be with them.

### **4. Covered Cases**

Section 4 has changed its name to blend in better with the other sections and clause 4.1 now also has its sub-headline, just as clauses 4.2, 4.3, 4.4, and 4.5.

Sections 5 and 6 have been supplemented with our now popular sub-headlines as well.

## **Updates to the PayPal Seller Protection Policy**

We have supplemented Section 1 with a new paragraph at the end of the section:

*Please read the PayPal Buyer Protection Policy to understand how a Claim against you may arise. If you sell to buyers in other countries, you should read the PayPal Buyer Protection policies of the countries in which your targets buyers are based (the relevant PayPal Buyer Protection policies are available through the drop-down menu at <http://www.paypal.de/agb>) as these policies will apply to you as a Payment Recipient or Seller.*

### **2. Coverage**

In the list of cases which are not covered by PayPal Seller Protection we have made the following additions:

Further, the following items/cases are not covered:

- Non-tangible goods, services, gift vouchers, airline tickets, downloads, licenses *for digital content*, and other non-physical goods,
- Vehicles with a motor, especially automobiles, motorcycles, boats and aircrafts,
- Items that cannot be shipped,
- Items picked up by the Buyer,
- *Items equivalent to cash (including, without limitation, stored value items such as gift cards and pre-paid cards),*
- *Payments made in respect of financial products and investments,*
- *Donations.*

## **Updates to the PayPal User Agreement**

Effective Date: March 23, 2016

Please read this document carefully. PayPal will change its PayPal User Agreement with effect to March 23, 2016. You do not need to do anything to accept the changes as they will automatically come into effect on the above date. Should you decide you do not wish to accept

the changes you can notify us before the above date to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

We do hope, however, that you continue to use PayPal and enjoy its benefits. Please view the current [PayPal User Agreement](#).

All changes and updates to this document are highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

We have made a couple of corrections to the document, both linguistic and grammatical, and we have changed the format of certain provisions. These changes are not expressly high-lighted in this Policy Update document.

### **3.14 Payment After Delivery**

Clause 3.14 has been removed completely; the respective provisions will be transferred to a separate document at a later point in time.

### **6a. Kauf auf Rechnung**

Section 6a. has been renamed from PayPal Invoice to “Kauf auf Rechnung” to reflect the change of the name of this function and the provisions – which directly only apply to Merchants – have been restructured and reworded completely and have been adapted with regards to their content.

### **6b. PayPal PLUS**

The provisions regarding PayPal PLUS – which also direct only apply to Merchants – have been reworded and adapted with regards to Kauf auf Rechnung.

## **7. Closing your PayPal Account**

At the end of clause 7.1 we have made the following addition:

*If you are the legal representative of an incapacitated or deceased PayPal Account holder, please contact our Customer Support for assistance.*

### **9.1 Restricted Activities**

We have reworded some of the references in clause 9.1 without making changes with regards to the actual content of these references and only clause 9.1k has been supplemented as follows:

k. Control an Account that is linked to another Account that has engaged in any of these Restricted Activities. *A PayPal Account is deemed to be “linked” to another PayPal Account for*

*the purpose of this section 9.1.k where PayPal has reason to believe that both PayPal Accounts are controlled by the same legal personality or group of legal personalities (including, without limitation, individuals), which is more likely when both PayPal Accounts share certain attributes, including, without limitation, the same recorded user name, email address, funding source (e.g. bank account) and/or recorded ID used to receive services from PayPal's partners (such as an eBay ID);*

Further at the end of clause 9.1ff we have removed the last sentence which has been redundant due to the aforementioned rewording.

## **10. Your liability – Actions We May Take**

In the first paragraph of Section 10 we have removed the sentence

*From both services, payment recipient benefits hugely as payments from Buyers become easier and more secure for Buyers.*

as we considered it to be redundant.

### **12.1 Identifying Errors and/or Unauthorized Transactions**

We have supplemented clause 12.1e as follows:

e. Someone has transferred or may transfer money from your PayPal Account without your permission *this includes where you link your Account with a third party platform (including a site or app), to make payments directly from that platform, but a payment was made from your Account for a transaction via that platform that you did not make*).

## **15. Definitions**

We have reworded most of the definitions in Section 15 without making changes to their actual content. Some of the definitions used in previous versions of the PayPal User Agreement have become redundant due to the rewording of the provisions and therefore have been removed.

## **Schedule 1 (Table of Fees)**

Schedule 1 (Table of Fees) has been restructured fundamentally to provide better overview and transparency.

We have more clearly structured the provisions by adding (sub-)headlines and a numbering starting with “A”. Further, we have changed the format.

In the new **clause A1.2** we have more clearly defined what Domestic Transactions and Cross Border Transactions mean:

A “Domestic Transaction“ is *a transaction in euros (EUR) or Swedish kronor (SEK) from or to PayPal Accounts registered in countries of the European Union as well as in Iceland, Liechtenstein, and Norway.*

*Any other transaction is a “Cross Border Transaction“.*

In the new **clause A1.3 Variable Fee and Fixed Fee** we have more clearly defined the terms Variable Fee and Fixed Fee and in **clause A1.3.2** we have added a new table of Fixed Fees in the respective local currencies to which we relate in other provisions of Schedule 1.

In the new **Section A2. Personal Transactions** we have supplemented the following:

When sending a Personal Transaction, the sender will *in principle* bear the respective Fee.

In the new **clause A2.2 Cross Border Personal Transactions** we have structured the Fees more clearly and in the new **clause A2.2.2 Country Groups** we have provided a better overview regarding the groups of countries referred to in Schedule 1.

In the new **Section A3. Commercial Transactions** we have provided a better overview of the Fees for receiving Domestic Commercial Transactions (**clause A3.1.2**), the Merchant Rate (**clause A3.1.3**), and Cross Border Commercial Transactions (**clause A3.1.4**). In these clauses we relate to the aforementioned tables of Fixed Fees and Country Groups to provide a leaner and better overview.

In the new **Section A3.2 PayPal PLUS Commercial Transactions** we have restructured the Fees for receiving Commercial Transactions via PayPal PLUS as follows:

*For Commercial Transactions received via PayPal PLUS (see clause 6b. of the User Agreement) the following Fees for receiving Domestic Payments shall apply on the basis of the monthly transaction volume processed:*

<b>Monthly transaction volume via PayPal PLUS</b>	<b>Fees</b>
<i>less than EUR 5,000.00</i>	<i>Variable Fee of 2.49% plus Fixed Fee</i>
<i>more than EUR 5,000.00 and less than EUR 25,000.00</i>	<i>Variable fee of 2.09% plus Fixed Fee</i>
<i>more than EUR 25,000.00</i>	<i>Variable Fee of 1.79% plus Fixed Fee</i>

*Fees for Cross Border Payments shall apply for receiving payments via PayPal PLUS accordingly as set out in clause A3.1.4.*

In the new **Section A4. Additional Fees** we have restructured the display of the Fees.

The Fees for bank returns on withdrawal in the new **clause A4.6.1** and the Fees for Reversals or failed direct debit payments in the new **clause A4.6.2** we have amended as follows:

#### **A4.6.1 Fees for bank return on withdrawal**

*If a withdrawal from your PayPal Account to your bank account initiated by you fails because of incorrect or incomplete bank account details PayPal shall charge a Fee in amount equal to the amount billed to PayPal by the credit institution at which you hold your account.*

#### **A4.6.2 Fees for Reversals or failed direct debit payments**

*In the event of a Reversal or a failed direct debit payment as per clause 10.1 PayPal shall charge a Fee in an amount equal to the amount billed to PayPal by the credit institution at which you hold your account.*

### **Updates to the PayPal Privacy Policy**

In the PayPal Privacy Policy becoming effective on **February 23, 2016** we have as well made a few linguistic corrections and made the following changes:

In **Section 2** we have changed the third paragraph “Using your device” as follows:

**Using your device:** When you *use the PayPal Services* using any device (whether connected to PayPal wirelessly or by a fixed line or otherwise), we may additionally collect and store device sign-on data (including *but not limited to* device ID) and geo-location data in order to provide PayPal Services.

Add the beginning of **Section 6** we have added the following three paragraphs:

*Just like most banks or financial/payment service providers, PayPal works with third-party service providers which provide important functions to us that allow us to be an easier, faster, and safer way to make payments, and other business partners. We need to disclose user data to them from time to time so that the services can be performed.*

*In general, the Luxembourg laws to which PayPal's handling of user data is subject (data protection and bank secrecy) require a higher degree of transparency than most other EU laws. This is why, unlike the vast majority of providers of internet-based services or financial services in the EU, PayPal has listed in this Privacy Policy the third party service providers and business partners to whom we may disclose your data, together with the purpose of disclosure and type of information disclosed. You will find a link to those third parties [here](#) as well as in paragraphs a, b, d and g below. By accepting this Privacy Policy and maintaining an account with PayPal, you expressly consent to the transfer of your data to those third parties for the purposes listed.*

*PayPal may update the list of third parties referred to above every quarter (January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup> and October 1<sup>st</sup>). PayPal will only start transferring any data to any of the new entities or for the new purposes or data types indicated in each update after 30 days from the date where that list is made public through this Privacy Policy. You should review the list each quarter on*

*the PayPal website on the dates stated above. If you do not object to the new data disclosure within the 30 days after the publication of the updated list of third parties, you are deemed to have accepted the changes to the list and to this Privacy Policy. If you do not agree with the changes, you may close your PayPal Account and stop using our services.*

## **Update of the PayPal Seller Protection Policy**

We have amended and simplified the wording in the PayPal Seller Protection Policy as well and we have supplemented **clause 1d.** as follows:

4d. Chargebacks from payments not authorized by the owner of the PayPal Account (“**Unauthorized Payment**”), *except for any Unauthorized Payment initiated in an environment not hosted by PayPal.*

In **Section 2** we have deleted the first sentence of the third paragraph as it has become redundant due to the changes to the PayPal User Agreement.

## **Updates to the Terms of Use for Kauf auf Rechnung**

The former “Terms of Use for payment upon invoice” are now called “Terms of Use for Kauf auf Rechnung” due to the name of product being changes to “Kauf auf Rechnung” (which is payment upon invoice in German).

We have not changed this document with regards to its content.

## **Updates to the PayPal Buyer Protection Policy**

We have also reworded the PayPal Buyer Protection Policy in certain parts and we have made the following amendments with regards to its content:

In **Section 3** have supplemented the first sentence as follows:

In order to qualify for PayPal Buyer Protection *in the addition to the conditions of Section 5* the following requirements must be met.

In **clause 3.1** we have deleted the second bullet point

- *With PayPal (not from a registered PayPal Account) on the German eBay website [www.ebay.de](http://www.ebay.de)*

as it has become redundant due to the rewording.

Further we have amended the fourth and sixth bullet points as follow and added a new fifth bullet point:

- *Using the PayPal payment upon installment service (“Ratenzahlung Powered by PayPal”); or*
- *Using the PayPal “Bezahlung nach 14 Tagen” service (“Bezahlung nach 14 Tagen”); or*
- *Using PayPal to make a payment without PayPal Account.*

In **clause 3.3** we have amended the fourth and the last bullet point as follow and in between we have added the new fifth bullet point:

- For purchases made outside of eBay: by availing of Ratenzahlung *Powered by PayPal*; or
- *For purchases made outside of eBay: by availing of Bezahlung nach 14 Tagen*; or
- For purchases made outside of eBay: by *making a PayPal payment without PayPal Account*.

We further have added the former clause 3.4 to **clause 3.3** to be the last paragraph of this clause do the connected proximity, so that this paragraph does not form a separate clause anymore. Therefore the numbering of the subsequent clauses has changed accordingly.

We have supplemented the now new **clause 3.4** (previously clause 3.5) as follows:

**3.4** You must have made the complete purchase price payment by means of a single payment (no installments (except in the case of *using Ratenzahlung Powered by PayPal*), no down payments, no deposits, no deferred payments, *except in the case of using Bezahlung nach 14 Tagen*) and have to own a registered PayPal Account. *When using Ratenzahlung Powered by PayPal you also have to link your respective installment payment agreement with your PayPal Account.*

Previous clause 3.7 is now **clause 3.6** and has been more clearly structured by adding sub-clause 3.6.1 and 3.6.2.

The previous **clause 3.8** has become redundant due to the amendment of the first sentence of Section 3 and has therefore been removed.

#### **4. Which cases are covered?**

Section 4 has been reworded as well.

**Clause 4.5** has been supplemented as follows:

**4.5** The decision about the Claim under PayPal Buyer Protection is final and any legal actions against PayPal with respect to this decision are excluded; *your statutory rights remain without limitation apart from the provisions of this PayPal Buyer Protection policy.*

#### **6. Additional Buyer Protection for purchases on [www.ebay.de](http://www.ebay.de)**

We have added a new **Section 6** which governs the extension of PayPal Buyer Protection for purchases on [www.ebay.de](http://www.ebay.de):

**6.1 PayPal Buyer Protection protects the Buyer for purchases on eBay when the Seller does not reimburse the funds although the Buyer has exercised a right of return.**

**6.2 The following conditions need to be satisfied:**

**6.2.1 Purchase of goods on eBay and secure payment method**

*The Buyer has purchased goods (services are excluded) on [www.ebay.de](http://www.ebay.de) and has paid with one of the payment methods listed under section 3.1.*

**6.2.2 Right of return pursuant to refund policy (“Widerrufsbelehrung”)**

*The listing of the Seller contained a refund policy (“Widerrufsbelehrung”). The Buyer had a right of return according to this refund policy.*

**6.2.3 Return request**

*The Buyer requests to return the goods to the Seller within the eBay return process. For this purpose, the Buyer must log in into its eBay account and initiate a return on [www.ebay.de](http://www.ebay.de) (return request). The initiation of a return request must be made within the return period mentioned in the return policy.*

*The start of the return period will be determined, if necessary, based on proof of shipment, which then needs to be handed in. If this proof is not handed in, PayPal will assume that the return period has been met.*

*Please note: The return period is typically 14 days after the delivery of the goods. The return period can, however, also be of 1 month for items marked with eBay Garantie.*

*The return request is deemed a notice of cancellation to the Seller.*

**6.2.4 Returning the goods and proof of shipment**

*The Buyer must ship the good(s) quickly and undamaged back to the Seller. The Buyer is obliged to mark the good as shipped within the return process of eBay, provided this option is available to the Buyer, or to confirm upon request that reshipment has taken place within the stated return period. Moreover, the Buyer has to provide a proof of*

*shipment upon PayPal's request. In addition, if requested by PayPal, the Buyer must provide proof that shipping to the Seller has taken place. The Buyer must send the good(s) to the address which the Seller provides in the return policy or which is mentioned in the eBay return process. Please see the PayPal Seller Protection Policy for the requirements regarding a proof of shipment.*

#### **6.2.5 Filing a Buyer Protection Claim on eBay**

*The Buyer must file a Buyer Protection Claim on eBay if the Seller has not reimbursed the purchase price and the shipping costs to the Buyer.*

*If the Seller has not taken any action or has declined the return request, the Claim needs to be filed as early as 10 days, and no later than 30 days after the return request is initiated.*

*If the Seller has accepted the return request, but has not reimbursed the purchase price and the shipping costs, the Claim needs to be filed within 30 days from the date when the item has been marked as shipped back to the Seller within the eBay return process.*

**6.3** *If these conditions are met, PayPal shall reimburse the purchase price and the costs for shipping the good(s) to the Buyer. The Buyer may not claim the costs for reshipment of the good(s) back to the Seller from PayPal.*

**6.4** *The following provisions of the Buyer Protection Policy apply equally: Section 2, clauses 3.2, 3.5, 3.6, 4.3, 4.4, 4.5, 5.1, 5.3 and Section 7.*

**6.5** *If the Seller reimburses the purchase price and the costs for shipping the good(s) to the Buyer or if the Buyer and the Seller agree on a partial reimbursement, the Buyer may not claim a reimbursement from PayPal.*

### **7. Final provisions**

Our previous Section 6 has now subsequently been numbered **Section 7** and reworded it, in particular in **clause 7.6** where we have changed the order of paragraphs due to connected proximity.

### **Updates to the Commercial Entity Agreement**

Further we have made minor, mainly linguistic amendments to the Commercial Entity Agreement which **only applies to Merchants and not to consumers** becoming effective March 23, 2016 as well.

In the second headline of the “**Commercial Entity Agreement for Credit Card Processing Services**” as part as been removed so the new headline would be:

## *HSBC BANK PAYMENTS COMMERCIAL ENTITY AGREEMENT FOR CREDIT CARD PROCESSING SERVICES*

In the first paragraph of this document some parts have been removed from number (2) so the new wording would be:

2) Member or Processor may terminate its provision of credit card processing services and enforce or rely on any term or provision of the Merchant's PayPal User Agreement ("PUA"), all of which Member or Processor considers relevant are incorporated in this CEA by reference. In this CEA "we", "us" and "our" refer to Member and Processor together unless, for the purpose of Association Rules or membership, it must mean Member alone.

The sentence

*For the avoidance of doubt, Processor is not a subsidiary or member of the HSBC Group*

has been removed.

Further below an additions has been made and the numbering has been adjusted:

For the purposes of this CEA and the performance of it by the Processor: (i) *where Processor and Member are separate entities*: (A) the Processor is the exclusive agent of Member; and (B) Member is responsible for the Processor performance of the CEA; (ii) Member must approve, in advance, any fee payable by, or obligation of, the Merchant under the CEA; and (iii) the Processor may not have access, directly or indirectly, to any account for funds or funds due to a Merchant and/or funds withheld from a Merchant for chargebacks arising from, or related to, performance of this CEA.

The sentence following this paragraph has been removed and in place of this sentence two new sentences have been added:

*For the purpose of this CEA, "Member" shall mean (a) GPUK LLP if Merchant is based in Europe; (b) Global Payments Asia-Pacific (Hong Kong) Limited if Merchant is based in Hong Kong; (c) Global Payments Asia-Pacific (Hong Kong Holding) Limited, Singapore Branch if Merchant is based on Singapore; (d) GPC Financial Corporation if Merchant is based in Canada and/or (e) HSBC Bank plc if Merchant is based in Australia. The CEA is also for the benefit of any of the HSBC group of companies other than HSBC Bank plc that provide access to a Bank Identification Number ("BIN") for MasterCard and Visa transactions acquired for the Merchant ("HSBC Companies"), to the extent that the CEA relates to use of that BIN.*

*Any reference to the PUA shall mean the PayPal User Agreement made between Merchant and PayPal.*

In the second sentence of the "**Commercial Entity Agreement for PayPal Payment Card Funded Processing Services**" document a correction has been made regarding the corporate form of one of the companies and the sentence has also been supplemented as follows:

For the purpose of this CEA, "WorldPay Entity" shall mean (a) WorldPay (UK) Limited if Merchant is based in Europe; and/or (b) The Royal Bank of Scotland *PLC* if Merchant is based in Singapore and/or Hong Kong; and/or (c) The Royal Bank of Scotland PLC if Merchant is based in the United States *and/or (d) Worldpay PTY Ltd if Merchant is based in Australia.*

No further changes have been made to this document.

## **Updates to the PayPal User Agreement**

Effective Date: July 1, 2015

Please read this document carefully. PayPal will change its PayPal User Agreement with effect to the date outlined above. You do not need to do anything to accept the changes as they will automatically come into effect on the above date. Should you decide you do not wish to accept the changes you can notify us before the above date to close your account ([https://www.paypal.com/de/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/de/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

We do hope, however, that you continue to use PayPal and enjoy its benefits. Please view the current [PayPal User Agreement](#).

All changes and updates to this document are highlighted in *italic*. This highlighting shall ensure better traceability of the changes and updates applied.

### **1.3 Intellectual Property.**

At the end of the second paragraph, we have made the following addition:

*All right, title, and interest in and to the PayPal Website(s) and any content thereon is the exclusive property of PayPal and its licensors.*

After the second paragraph, we have added the following third paragraph:

*When providing us with content or posting content (in each case for publication, whether online or offline) using the PayPal Services, you grant the PayPal Group a non-exclusive, worldwide, perpetual, irrevocable, royalty-free, sub-licensable (through multiple tiers) right to exercise any and all copyright, trademarks, database rights, and intellectual property rights you have in the content, in any media known now or in the future. Further, to the fullest extent permitted under applicable law, you waive your moral rights and promise not to assert such rights against the PayPal Group, its sub-licensees, or assignees. You represent and warrant that none of the following infringe any intellectual property right: your provisions of content to us, your posting of content using the PayPal Services, and the PayPal Group's use of such content (including of works derived from it) in connection with the Services.*

## **2.2 Account types**

Other than correcting the wording with regards to one of the types of accounts (*Personal Account* instead of *Premier Account*) for consistency, we have made the following addition and the end of the first paragraph:

*Holders of certain Personal Accounts may be required to upgrade their accounts (which may include providing further information to PayPal) in order to use all of the current functionality available in a Person Account.*

## **3.1 Our execution of your Payment Orders**

We have supplemented the information given in Section 3.1 a. with the following:

- a. You send your Payment Order before 4.00pm (local time of the country where your Account is registered) on a Business Day, *except that the relevant time shall be 5.00pm if your Account is registered in Greece or in Finland, 3.00pm if your Account is registered in the Republic of Ireland or in Portugal, 2.45pm if your Account is registered in Denmark or in Hungary, and 2.00pm if your Account is registered in the Czech Republic, in Poland, or in Sweden. All times stated are local times of the country where your Account is registered.* If you provide us with your Payment Order after *this time* or not on a Business Day, you agree that your Payment Order was received by us on the following Business Day;

### **3.10 Third party initiated payments (including Recurring Payments)**

We have adjusted the wording in the first paragraph and added a new second paragraph with additional information to Recurring Payments to read as follows:

A third party *initiated payment* is a payment made on the basis of your advance Authorization to a third party (for example, store or other trader you intend to pay for your purchase) to collect funds from your PayPal Account. Refunds on eBay via PayPal, that you initiate as a Merchant on eBay, may also be effected as third party initiated payments.

*One example of this type of payment is a “Recurring Payment” which is a third party initiated payment made on a recurring basis (whether sporadically or periodically) that can be managed via your PayPal Account. Recurring Payments are also called “subscriptions”, “preapproved payments”, or “automatic payments”.*

### **3.14 Payment After Delivery**

We have adjusted the wording in this Section to provide more comprehensible information about Payment After Delivery (PAD):

*Buyers may be offered to select Payment After Delivery (“PAD”) as a payment method. This payment method shall be used for private, non-commercial purchases only. PAD means that PayPal will only directly debit your bank account after you have received the item purchased. Generally, this will be approximately 14 (fourteen) days after the purchase date, but may also be later. You may initiate the payment yourself sooner in your PayPal Account.*

*PAD is only available to eligible Buyers and you must have a bank account added to your PayPal Account to become eligible. Eligibility is at PayPal’s sole discretion and takes numerous variables into account. When choosing PAD, the total transaction amount will be financed by directly debiting your primary bank account linked to your PayPal Account even if you have a Balance on your PayPal Account unless the bank account does not have sufficient funds. You authorize PayPal to submit an instruction to debit from your primary bank account the amount of the transaction, and to re-submit this instruction if the initial debit is rejected or if no sufficient funds are available.*

PayPal will pay the Merchant [...] on your behalf *immediately* after the order has been successfully placed. The [...] amount agreed upon between you and the Merchant shall be paid to the PayPal account of the Merchant.

If you are eligible for *PAD* and if you *or PayPal* have initiated a first payment, *PAD* will be set up as your preferred payment method for all future purchases for which this payment method is applicable. You may *change* the order of payment methods at any time in your PayPal Account.

PayPal may in its sole discretion and at any time terminate, cancel, deactivate, or change your eligibility for the use of *PAD*.

### **3.15 Payment upon installments**

This section has been removed completely as it would no longer be applicable.

## **4.2 Use of PayPal on eBay, Inc.**

This section has been removed completely as it would no longer be applicable.

Please note that the numbering of the subsequent sections has changed accordingly due to the removal of the previous Section 4.2.

## **4.2 Payment Review**

This is now Section 4.2 as the previous Section 4.2 has been removed. Otherwise this section remained unchanged.

## **4.3 Payment reversals – PayPal's claims for reimbursement**

This is now Section 4.3 due to the removal of the previous Section 4.2. Otherwise this section has remained unchanged with regards to its content, only adjustments with regards to the use of capitalized terms have been made.

## **4.4 Non discouragement**

This is now Section 4.4 due to the removal of the previous Section 4.2. Otherwise this section has remained unchanged with regards to its content, only adjustments with regards to the use of terms have been made.

## **4.5 Receiving Money in Multiple Currencies**

This is now Section 4.5 due to the removal of the previous Section 4.2. In addition, the second sentence in this section has been removed.

## **4.6 Taxes**

This is now Section 4.4 due to the removal of the previous Section 4.2. Otherwise this section has remained unchanged with regards to its content, only adjustments with regards to the use of terms have been made.

## **6a.6 Warranties**

In the eighth bullet point we have added additional wording for the purpose of clarification with regards to the use of PayPal Invoice under the eBay Guarantee on the German eBay website so that this bullet point now reads as follows:

- The right of withdrawal provided by you to the Buyer does not exceed statutory rights of revocation; *this provision does not apply for you when selling items with PayPal Invoice on the German eBay website www.ebay.de under the eBay Guarantee. You may – in accordance with the provisions of the eBay Guarantee – provide your Buyer a right of withdrawal that exceeds statutory rights of revocation;*

## **6a.7 Obligations**

In the first and second bullet point as well as in the last sentence of this section the wording has been adjusted and the term “the parties” has been replaced by “You”.

## **6b. PayPal PLUS**

We have added a new Section 6b. which describes the new PayPal PLUS product for Merchants:

*PayPal PLUS is a service providing a Merchant who offers PayPal PLUS as a payment method to receive commercial payments an optimized checkout for the online shop of the Merchant. PayPal PLUS includes the payment methods PayPal Services, credit card, and electronic direct debit (ELV), and going forward also payment upon invoice (“PUI”) (PUI is technically not available at the time of this User Agreement becoming effective), as well as up to 5 third-party providers of payment methods which may be integrated into the PayPal PLUS checkout. PayPal PLUS also enables such Payers who do not hold a PayPal Account to process payments to the merchant using PayPal PLUS.*

*Payments received via PayPal PLUS will be credited to the PayPal Account of the Merchant as E-Money, irrespective of the payment instrument being used by the payer for payment in an individual case.*

*PayPal PLUS is only available to eligible Merchants and upon prior application by the Merchant. Eligibility is at PayPal’s sole discretion and takes numerous variables into account. PUI will upon technical availability be subject to further eligibility criteria in PayPal’s sole discretion. Eligibility for PayPal PLUS does expressly not include eligibility for PUI.*

## **9.1 Restricted Activities**

We have adjusted the wording in Section 9.1 s. to read as follows:

s. *Use a credit card with your Account to provide yourself a cash advance from your credit card (or help others to do so);*

In Section 9.1 gg. we have made an addition for clarification and a subsequent change of wording:

gg. Allow your use of the PayPal Services to present to PayPal *or to our banking partners* a risk of non-compliance with *their respective* anti-money laundering, counter terrorist financing and similar regulatory obligations (including, without limitation, where we cannot verify your identity or you fail to complete the steps to lift your sending, receiving or withdrawal limit in accordance with Sections 3.1, 4.1 and 6.3, or where you expose PayPal to the risk of any regulatory fines by European, US or other authorities for processing your transactions);

## **9.2 Keeping your Payment Instrument Safe**

In this section we have added the term “PIN” where applicable and we have added two new subsections h. and i.:

h. *Ensure you are logged out of all payment-relevant applications on your device when you do not use it to access the PayPal Services and/or when others could access it (e.g. where you share your device with others or use your device through unsecured public Internet connections such as in typical public “free-WiFi” areas);*

i. *Refrain from using any functionality that saves or stores your password or PIN on your access device;*

Further, we have adjusted the wording in the last subsection, which is now subsection l.:

l. Take all reasonable steps to protect the security of the personal electronic device through which you access the PayPal Services (including, without limitation, using PIN and/or password protected personally configured device functionality to access the PayPal Services). *If you lose your device you must inform us immediately and delete your device from the settings in your PayPal Account.*

## **10.1 Your liability**

In Section 10.1 a. we have adjusted the use of terms and switched the wording for better readability:

- a. In case of reversals, as well as all related fees and other cost, you are accountable as a Buyer in case that your bank account shows an insufficient balance *or in case that you have provided incorrect bank account information* (“Failed Direct Debit”), in case you have initiated the reversal although you have initiated the respective PayPal payment, or accidentally (“Accidental Or Unjustified Debit Return”).

In Section 10. d. we have added additional information with regards to eBay:

- d. **Temporary Holds for Disputed Transactions on Seller accounts.** If a Buyer files a Claim, Chargeback, or Reversal on a payment you received, or a Payment Hold pursuant to Section 10.5 (a) is placed, PayPal will place a temporary hold on the funds in your PayPal Account to cover the full amount in dispute. A hold placed under this provision will not restrict your use of the Account with regard to funds other than those disputed or at risk under the Claim, Chargeback or Reversal. If you win a Dispute or if the payment is eligible for a payment under the terms of the PayPal Seller Protection Policy, we will release the hold and restore your access to the funds. If you lose the Dispute, PayPal will remove the *applicable* funds, including fees related to credit card Chargebacks, from your PayPal Account. This process also applies to Claims that a Buyer files with eBay through the eBay resolution process, *provided that you have authorized eBay to use your PayPal Account to pay amounts you owe to eBay or to the buyer (as the case may be) under the terms of the eBay resolution process* (“Authorized Amounts”) and eBay has notified us of the Claim. *To the extent that the above provisions are met, you authorize and instruct PayPal to process payments of all and any Authorized Amounts from your PayPal Account to eBay or to the buyer (as the case may be) according to eBay’s instructions to PayPal, but you agree that PayPal may treat your authorization and instruction for the payment of any given Authorized Amount as cancelled and PayPal shall not be obliged to complete such payment if PayPal (in its sole discretion) decides that the claim would have been determined in your favor had it been filed as a Claim with PayPal. All claims filed directly with eBay are governed by eBay policy only. The terms of the PayPal Seller Protection Policy do not cover sellers in respect of claims filed by buyers directly with eBay.*

## 10.2 Activities by PayPal

In Section 10.2 we have made a few adjustments with regards to the use of terms and we have added a new subsection j.:

*j. We may suspend your eligibility for PayPal Seller Protection and/or PayPal Buyer Protection.*

## **12.1 Identifying Errors and/or Unauthorized Transactions**

In Section 12.1 we have replaced the term “Security Key” by PIN for consistency and we have inserted a new subsection d.:

*d. Any Device you have used to access the PayPal Services has been lost, stolen, or deactivated, or*

## **14.10 Third Party Permissions**

In Section 14.10 we have added a new second and third sentence:

14.10 Third Party Permissions. You may expressly grant, remove, and manage permissions for certain third parties to take certain actions on your behalf by logging into your Account, choosing the “Profile” sub-tab under the “My Account” tab, and selecting “API Access”, then “Manage API Permissions”. *Third parties may also request such permission from you when you are using their product. In such case you grant the permission direct on a PayPal website or mobile page and can manage and revoke it in your PayPal Account under the “Settings” menu.* You acknowledge that if you grant permission for a third party to take actions on your behalf, PayPal may disclose certain information about your PayPal Account to this third party. Granting permission to a third party does not relieve you of any of your responsibilities under this Agreement. You acknowledge and agree that you will not hold PayPal responsible for, and will indemnify PayPal from, any liability arising from the actions or inactions of this third party in connection with the permissions you granted.

## **15. Definitions**

In Section 15 we have added, adjusted, moved, and removed certain definitions for consistency throughout the document and for better readability.

Subsection 4. “Preferred Funding Source” has been moved to be Subsection 35.

Subsection 6 “EEA” has been added to read as follows:

6.     *“EEA” or “European Economic Area” means the region made of all 28 (twenty-eight) member states of the European Union (EU) as well 3 (three) of the 4 (four) member states of the European Free Trade Association (EFTA) – Iceland, Liechtenstein, and Norway.*

Subsection 8 “Preapproved Payment” has been removed.

In Subsection 9, the term “Fee” has been added.

Subsection 14 “Random Deposit” has been removed.

Subsection 20 “Reversal” has been added to read as follows:

20.     *“Reversal” means a payment you received which PayPal may reverse to the sender or another third party because the payment: (a) has been challenged by a Buyer directly with their bank; and/or (b) has been removed from your Balance for any reason (other than a Chargeback or Claim pursuant to the PayPal Buyer Protection Policy), including, without limitation where (i) the payment violates our Acceptable Use Policy or we reasonably suspect that the payment violates our Acceptable Use Policy, or (ii) the payment amount was not authorized by the sender with the relevant third party initiated payment authorization (see Section 3.10), or (iii) the*

*payment was funded by a bank transfer that was subsequently reversed by the bank for any reason; and/or (c) has been categorized by PayPal's internal risk modelling as a risky payment required to be reversed to mitigate the risk associated with the payment. The term "Reversed" shall be construed accordingly.*

Subsection 23. "Terms of Use" has been removed.

A new Subsection 23 "PayPal Group" has been added to read as follows:

23. *"PayPal Group" means PayPal Holdings Inc., and its subsidiaries and subsidiary undertakings affiliates (which includes, without limitation, PayPal) as the case may be.*

Subsection 28 "PayPal Services" has been adjusted with regards to its wording to read as follows:

28. *"PayPal Services" means all payment services and related products available through the PayPal Website(s), products, services, content, features, technologies, or functions offered by PayPal and all related sites, applications, and services.*

A new Subsection 34 "Special Funding Sources" has been added to read as follows:

34. *"Special Funding Sources" means that certain payments may be funded by Special Funding Sources linked to your Account such as Merchant/transaction specific balance, gift vouchers, or other promotional Funding Source.*

## **Schedule 1 Table of Fees**

Throughout Schedule 1 Table of Fees we have made adjustments with regards to the use of terms. In addition, we have updated the list of countries in Section 1. b. to read as follows:

\* Northern Europe: Denmark (including Greenland and Faroe Islands), Finland (*including Åland Islands*), Iceland, Norway, Sweden.

\*\* Europe I: Austria, Belgium, Cyprus, Estonia, France (including French Guyana, Guadeloupe, Martinique, Reunion, and Mayotte), Germany, Gibraltar, Greece, Ireland, Italy, Luxembourg, Malta, *Monaco*, Montenegro, Netherlands, Portugal, San Marino, Slovakia, Slovenia, Spain, United Kingdom (including Channel Islands and Isle of Man), Vatican City State.

\*\*\* Europe II: Albania, Andorra, *Belarus*, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, *Georgia*, Hungary, *Kosovo*, Latvia, Liechtenstein, Lithuania, *Macedonia*, *Moldova*, Poland, Romania, Russian *Federation*, Serbia, Switzerland, Turkey, Ukraine.

## **2. Commercial Transactions**

In Section 2. we have added new headlines for better readability and in the new Subsection 2.1 PayPal Commercial Transactions the following part has been removed:

*Monthly sales with PayPal of more than 50,000 Euro: 1.2% + Fixed Fee (see table below)*

Further, we have added the list of countries for Receiving (Selling) of cross-border payments and added an additional sentence at the end:

\* Denmark (including Greenland and the Faroe Islands), Finland (*including Åland Islands*), Iceland, Norway, Sweden

\*\* Austria, Belgium, Channel Islands, Cyprus, Estonia, France (including French Guyana, Guadeloupe, Martinique, Reunion, and Mayotte), Germany, Gibraltar, Greece, Ireland, Isle of Man, Italy, Luxembourg, Malta, Monaco, Montenegro<sup>^^</sup>, Netherlands, Portugal, San Marino, Slovakia, Slovenia, Spain, United Kingdom, Vatican City State

\*\*\* Albania, Andorra, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Hungary, Kosovo, Latvia, Liechtenstein, Lithuania, Macedonia<sup>^^</sup>, Moldova<sup>^^</sup>, Poland, Romania, Russian Federation, Serbia, Switzerland, Turkey, Ukraine.

Note: Cross border *euro (EUR)* or *Swedish krona (SEK)* payments made between Accounts registered in the European Union or EEA will be treated as Domestic Commercial Transaction payments.

*^^Buyers in these countries cannot open a PayPal Account but can make purchases using their credit card on certain Merchant's websites.*

In addition, we have added a new Subsection 2.2 PayPal PLUS Commercial Transactions to read as follows:

## *2.2 PayPal PLUS Commercial Transactions*

*For Commercial Transactions received via PayPal PLUS the same Fees shall apply that the Merchant is granted for receiving payments via PayPal Services as of the time of PayPal PLUS being activated for use by the Merchant.*

## **3. Additional Fees**

In Section 3 Additional Fees we have changed the Fees for Charity Pricing to read as follows:

Domestic rate: 1.5% + Fixed Fee per each payment transaction.

## Updates to the PayPal Privacy Policy

Effective Date: Jul 1, 2015

We have added a new definition of “information” since we protect personal information of our individual users the same way as we protect information of our merchants (legal entities). The new definition reads as follows:

*“For the purposes of this Privacy Policy, the term “information” means any confidential and/or personally identifiable information or other information related to users of PayPal Services, including but not limited to customers and merchants (legal entities).”*

PayPal is committed to adequately protecting your personal information regardless of where the data resides.. As a separate entity, PayPal will rely on a variety of methods to ensure adequate transfer of information across borders, including contractual mechanisms. We have changed the title of the “Binding Corporate Rules” section to “Cross Border Transfers of Personal Information” and updated the language in the section to reflect this situation. The new section reads as follows:

*“PayPal is committed to adequately protecting your information regardless of where the data resides. and to providing protection for your information where such data is transferred outside of the EEA.”*

### Information about you from Third Parties

We have added a new paragraph stating that we may collect information about you from members of our corporate family, other companies and from other accounts we have a reason to believe you control. The new paragraph reads as follows:

***“Information About You from Other Sources:*** *We may also collect information about you from other sources, including from members of PayPal’s corporate family, other companies (subject to their privacy policies and applicable law), and from other accounts we have reason to believe you control (whether in part or in whole).”*

We have simplified this section and moved some of its wording into a separate policy on Cookies, Web Beacons and Similar technologies (which will be accessible by a link). This

policy further explains our use of these technologies for risk mitigation and fraud detection purposes. The new section reads as follows:

*“When you access our website or use PayPal Services, we (including companies we work with) may place small data files on your computer or other device. These data files may be cookies, pixel tags, "Flash cookies," or other local storage provided by your browser or associated applications (collectively "Cookies"). "When you access our website or use PayPal Services, we (including companies we work with) may place small data files on your computer or other device. These data files may be cookies, pixel tags, "Flash cookies," or other local storage provided by your browser or associated applications (collectively "Cookies"). We use Cookies to recognize you as a customer, customize PayPal Services, content and advertising, measure promotional effectiveness, help ensure that your account security is not compromised, mitigate risk and prevent fraud, and to promote trust and safety across our sites and PayPal Services. You are free to decline our Cookies if your browser or browser add-on permits, unless our Cookies are required to prevent fraud or ensure the security of websites we control. However, declining our Cookies may interfere with your use of our website and PayPal Services. For more detailed information on our use of these technologies, please see our policy on Cookies, Web Beacons, and Similar Technologies.”*[\*\*Cookies, Web Beacons, and Similar Technologies.\*\*](#)

We have also added a sentence regarding communication with you (eg for customer service) and made clear that we retain the responses to you in the records of your account. The new sentence reads as follows:

***“Communications:*** When you communicate with us for customer service or other purposes (e.g., by emails, faxes, phone calls, tweets, etc.), we retain such information and our responses to you in the records of your account.”

We have also modified the language regarding users who engage an individual who is not a registered user of PayPal Services. This section explains how personal information may be collected by PayPal from unregistered users of PayPal Services if such unregistered users are engaged by a registered user of PayPal Services. The new wording reads as follows:

***“Individuals who are not Registered Users of PayPal Services and Requests:*** When a registered user of the PayPal Services attempts to engage an individual who is not a registered

*user of the PayPal Services in a transaction (for instance, by sending a payment or other benefit to, or requesting a payment from that individual), we will retain the information that the registered user of the PayPal Services submits to us, including, for example, the other party's email address, phone number and/or name. Although this particular information is stored for a certain period of time in compliance with applicable law, we will not use it to market to the non-registered person. Additionally, these persons have the same rights to access and correct information about themselves (assuming that their details were correct) as anyone else who uses the PayPal Services. ”*

We have added a new definition of Account Information (the information associated with a user's PayPal account). The new definition is:

***“Account Information:*** For the purposes of this Privacy Policy, account information (“Account Information”) includes without limitation: name, address, email address, phone number, username, photograph, IP address, device ID, geolocation information, account numbers, account types, details of funding instruments associated with the account, details of payment transactions, details of commercial transactions, customer statements and reports, account preferences, details of identity collected as part of our “know your customer” checks on you, and customer correspondence.”

Additionally, this section has been updated and highlights the purposes for which we use personal information, including for identity verification purposes, the performance and customization of PayPal Services, and our reasons and methods for contacting you.

*“We collect, store and process your information on servers located in the United States and elsewhere in the world where PayPal facilities are located. Our primary purpose in collecting your information is to provide you with a safe, smooth, efficient, and customized experience. You agree that we may use your personal information to:*

We also explain that if you choose to answer our optional questionnaires or surveys, we may use such information to improve our services or send you marketing or advertising information.

***“Questionnaires, Sweepstakes, Surveys and Profile Data:*** If you choose to answer our optional questionnaires or surveys, we may use such information to improve PayPal Services, send you marketing or advertising information, manage the sweepstakes, or as otherwise explained in detail in the survey itself.”

Changes have been made regarding how users can limit the sharing of their personal information, including via their mobile device.

We may also share with other users the fact that you are within local reach as a customer. The new addition reads: *“If you do not want this information to be shared, you can access, view and control the settings for any such data on your mobile device.”*

Changes were made to this section explaining PayPal's data sharing practices with third parties, including law enforcement agencies, credit card associations and partner companies. For ease of reference for our users, we also moved the full list of these third parties from the Privacy Policy to a separate document accessible via separate links that direct users to the full list (see paragraph 8 below for more details). This section was also modified to reflect the changing nature of the relationship between PayPal and eBay. Both parties will be separate entities, but would like to continue to provide users with the experiences they have come to expect. The changes to this section reflect PayPal's sharing of account information with eBay and other third parties for purposes of fraud prevention and risk management, customer service, shipping, and legal compliance. As has always been the case, third parties will not be able to use this information for their marketing purposes without a user's express consent.

*“PayPal will not sell or rent any of your personal information to third parties for their marketing purposes without your explicit consent, and will only disclose this information in the limited circumstances and for the purposes described in this Privacy Policy. This includes transfers of data to non-EEA member states.*

*Specifically, you consent to and direct PayPal to do any and all of the following with your information:*

- **How We Share Information with Other Third Parties**

**Just like most banks or financial/payment service providers, PayPal works with third-party service providers, which provide important functions to us that allow us to be an easier, faster, and safer way to make payments, and other business partners. We need to disclose user data to them from time to time so that the services can be performed.**

#### **List of disclosure to Third Parties other than PayPal Customers**

We have made the following changes to the list of Third Parties we disclose information to:

Category	Party Name and Jurisdiction (in brackets)	Purpose	Data Disclosed
<b>Payment Processors</b>			
	Global Payments UK LLP (UK)	To allow payment processing, fraud checking and dispute handling for transactions of PayPal users when those users transact with a merchant who uses the PayPal service via the Global Payments service.	Name, address, details of user funding instruments and details of payment transactions
	WorldPay (UK) Limited, Worldpay AP Limited, (UK) Worldpay (Netherlands)	To allow payment processing, fraud checking and dispute handling for transactions of PayPal users when those users transact with a merchant who uses the PayPal service via Worldpay service.	All Account information except details of user financial instruments
	American Express Travel Related Services Company, Inc. (USA)	To allow payment processing settlement services, and fraud checking.	Unique Seller ID. Seller MCC Seller DBA Authorized signer Seller address, postal and country code Seller phone number

			<p>Seller email address</p> <p>Seller URL</p> <p>Date of birth (for sole proprietors only)</p> <p>For non-publicly traded Sponsored Merchants only (e.g. privately held company, sole proprietor), the following information for a Significant Owner (as defined below):</p> <ul style="list-style-type: none"> <li>• First and last name</li> <li>• Home address, postal code and country code</li> <li>• SSN or date of birth</li> </ul> <p>Significant owner means an individual who has 25% or greater ownership of a business.</p> <p>Unique seller ID*</p> <p>Sponsored Merchant MCC</p> <p>Sponsored Merchant DBA</p> <p>Sponsored Merchant location (city, street, postal code and country code)</p>
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			Sponsored Merchant phone number
	JPMorgan Chase Bank, N.A. London Branch (UK)	Anti-money laundering, sanctions list checking and compliance checks	Name of merchant, country of domicile, and business activity
	Adyen B.V. (Netherlands)	To allow payment processing and settlement services globally.	Name, address, details of payment instruments, and details of payment transactions.
	Allied Irish Bank PLC (UK)	To allow payment processing and settlement services in Europe.	Name, address, details of payment instruments, and details of payment transactions.
	Cardinal Commerce Corporation (USA)	To facilitate 3DSecure checking for payment processing globally.	Standard transaction data for 3DSecure.
	Coinbase Inc. (USA)	To allow payment processing and settlement services globally.	Name, address, details of payment instruments, and details of payment transactions.
	Heartland Payment Systems, Inc. (USA)	To allow payment processing and settlement services in the United States.	Name, address, details of payment instruments, and details of payment transactions.
	Merchant e-Solutions, Inc. (USA)	To allow payment processing and settlement services in the United States.	Name, address, details of payment instruments, and details of payment transactions.
	Moneris Solutions Corporation (Canada)	To allow payment processing and settlement services in Canada.	Name, address, details of payment instruments, and details of payment transactions.
	National Australia Bank Ltd. (Australia)	To allow payment processing and settlement services in Australia.	Name, address, details of payment instruments, and

			details of payment transactions.
	Network Merchants, LLC. (USA); Network Merchants Inc. (USA)	To allow payment processing and settlement services in the United States.	Name, address, details of payment instruments, and details of payment transactions.
	Stockholms Enskilda Bank AB (Sweden)	To allow payment processing and settlement services in Europe.	Name, address, details of payment instruments, and details of payment transactions
	WorldPay, Inc. (USA); WorldPay Ltd. (UK)	To allow payment processing and settlement services globally.	Name, address, details of payment instruments, and details of payment transactions.
<b>Customer Service Outsourcing</b>			
	LatentView Analytics Pte. Ltd. (Singapore)	To provide customer services regarding payments globally.	Name, address, phone number, email addresses, truncated and limited or full funding source information (case dependent), funding source expiration dates, type of PayPal account, proof of identity, account balance and transaction information, customer statements and reports, account correspondence, shipping information, and promotional information.
	Authentify Inc. (USA)	Telephone based authentication service	Mobile and landline phone numbers
	CallPoint New Europe AD dba TELUS	To operate	Name, email address, PayPal transaction ID, return information

	International Europe (Bulgaria)	refunded returns service	(returned item category, reason for return, amount of return, currency, country of return, type of return) and shipping documentation evidence.
	Key Performance Group SAS (France)	Administration of PayPal member referral program	First name, last name, email, customer ID, transaction information related to referral rewards
	New Relic, Inc. (USA)	To provide analytics allowing us to troubleshoot errors in the service globally	Log Data and Aggregated data on the service performance
	PagerDuty, Inc. (USA)	To alert on-call technicians that an email has arrived globally	Subject of the email at issue
	Sumologic, Inc. (USA)	To provide analytics allowing us to troubleshoot errors in the service globally	Log Data and Aggregated data on the service performance
<b>Credit Reference and Fraud Agencies</b>			
		To verify identity, verify linkage between a customer and its bank account or credit/debit card, assist in making decisions concerning a customer's credit worthiness (including without limitation, in relation to credit products offered by PayPal), carry out checks for the prevention and detection of crime including fraud and/or	Name, address, phone number, email address, date of birth, length of time at address, proof of identity, legal form, length of time in business, company registration number, VAT number, funding instrument including bank account and credit /debit card details (if appropriate) and relevant transaction information (if appropriate).

		<p>money laundering, assist in debt recovery, manage PayPal accounts and undertake statistical analysis, undertake research and testing as to appropriateness of new products and services and system checking.</p> <p>Please note that data disclosed to these agencies may be retained by the applicable credit reference and fraud agency for audit and fraud prevention purposes.</p>	
	AuthenticID LLC (USA)	<p>To verify identity; automatic data extraction from images of documents and document validation / forgery detection. Research and testing as to appropriateness of new products and services.</p>	<p>Name, address, email address, date of birth, legal form, company registration number, VAT number, documents proving identity and address, ownership of a funding instrument, or other documents requested by PayPal and the data contained therein for Risk / Compliance/ Credit purposes.</p>
	Zoot Enterprises, Inc. (USA), Zoot Deutschland GmbH (Germany), Zoot Enterprises Limited (UK)	<p>To process technical applications and to provide a data and document gateway for account review, testing and vetting purposes, and to exchange user information and images of documents proving identity,</p>	<p>All account information and documents supplied by customers, to include information used to provide identity and address, ownership of a funding instrument, or other documents requested by PayPal</p>

		<p>address and ownership of funding instrument with contracted fraud and credit reference agencies. To also aggregate data from internal and external data sources and provide statistical analysis in order to assess the risk of fraud.</p>	<p>and the data contained therein for Risk / Compliance / Credit purposes. This information may also include IP addresses.</p>
	Kount, Inc. (USA)	<p>To facilitate fraud checking for payment processing globally.</p>	<p>Name, address, device fingerprint data, details of payment instruments, and details of payment transactions.</p>
	Artefacts Solutions LLC (USA)	<p>To detect fraud and mitigate risk related to transaction processing.</p>	<p>Truncated card number, amount of transaction, chargeback ratio, credit ratio, and decline ratio.</p>
	Experian Information Solutions, Inc. (USA)	<p>To verify identity, assist in making decisions concerning a customer's credit worthiness, carry out checks for the prevention and detection of crime including fraud and/or money laundering.</p> <p>Please note that data disclosed to these agencies may be retained by the applicable credit reference and fraud agency for audit and fraud prevention purposes.</p>	<p>Name, address, social security number, date of birth, business name, legal name of business, tax ID, business phone number.</p>

		<p>To verify identity, carry out checks for the prevention and detection of crime including fraud and/or money laundering.</p> <p>Please note that data disclosed to these agencies may be retained by the applicable credit reference and fraud agency for audit and fraud prevention purposes.</p>	
<b>Commercial Partnerships</b>			
	Stubhub Services S.à r.l. (Luxembourg)	For the purposes of its AML and KYC requirements.	First and last name, date of birth, residential address, nationality, national ID/passport number
<b>Marketing and Public Relations</b>			
	TNS Deutschland GmbH (Germany)	To conduct customer service and marketing surveys.	Name, email address, phone number, type of account, type and nature of the PayPal services offered or used, and relevant transaction information.
	Rapp (France), Antics (USA), Partner Path (USA)	To develop, measure and execute marketing campaigns.	Name, business name, address and registration number of merchant/partner, name, job, title, email address, phone number of merchant's contact person, merchant website URL, PayPal account number, third party applications used

			by the merchant, behaviour on PayPal Serviceswebsite.
	Adobe Systems Incorporated (USA)	To execute retargeting campaigns in order to deliver personalised advertising.	Anonymous ID generated by cookies, pixel tags or similar technologies embedded in webpages
	Oracle Corporation UK Ltd. (UK)	To develop, measure and execute marketing campaigns.	Name, business name, address and registration number of merchant, name, job title, email address, phone number of merchant's contact person, merchant website URL, PayPal account number, third party applications used by the merchant, behaviour on PayPal website.
	Iris (Germany)	To develop, measure and execute marketing campaigns.	Name, business name, address and registration number of merchant/partner, name, job title, email address, phone number of merchant's contact person, merchant website URL, PayPal account number, third party applications used by the merchant, behaviour on PayPal website.
	OC&C Strategy Consultants Limited (UK)	To conduct market research and develop insight	Anonymized account and transaction information
<b>Operational services</b>			
		To collect debt.	Name, address, phone number, account number, date of birth, email address, account

			<p>type, account status, last four digits of financial instruments account, sort code, account balance, details of account transactions and liabilities, name of funding source provider and copies of all correspondence in each case relating to amounts you owe (or another person owes) to us.</p>
	<p>Salesforce.com, Inc. (USA), Oracle America Inc. (USA), Adobe Systems Incorporated (USA), Teradata Corporation (USA)</p>	<p>To fulfil email operations in respect of the PayPal services (including, but not limited to, operations, customer services, collections, marketing programs and promotions).</p>	<p>Name, address, email address, business name, business contact details, domain name, account status, account type, account preferences, type and nature of the PayPal services offered or used and relevant transaction and account information.</p>
	<p>Lattice Engines, Inc. (USA)</p>	<p>To develop and optimize predictive models.</p>	<p>Name of the merchant, name of the contact person, address, email address, merchant website URL</p>
	<p>Interact CC Ltd (UK)</p>	<p>Providing assistance with PayPal service to customers</p>	<p>Customer name, business name, phone numbers, contact email, website, business industry, shipping details, card details for the payment</p>
	<p>The unbelievable Machine Company GmbH (Germany)</p>	<p>Hosting BillSAFE application on its servers</p>	<p>All Account information.</p>
<p><b>Group companies</b></p>			

	Bill Me Later Inc. (USA), PayPal Information Technologies (shanghai) Co., (China), PayPal Australia Pty Limited (Australia), PayPal Charitable Giving Fund (USA), PayPal Giving Fund UK (UK), Tradera AB (Sweden),	Acting on behalf of PayPal for the purpose of customer support, risk assessment, compliance and/or other back office.	All Account information.
<b>Commercial Partners</b>	eBay Inc. (USA), eBay Europe S.à r.l. (Luxembourg), eBay Services S. à r.l. (Luxembourg), eBay International AG (Switzerland), eBay Corporate Services GmbH (Germany), eBay France SAS (France), eBay (UK) Limited (UK), eBay CS Vancouver Inc. (Canada), eBay Partner Network Inc. (USA), eBay Internet Support (Shanghai) Co Ltd (China), eBay Enterprise Marketing Solutions (USA) (formerly GSI Commerce, Inc (USA), VendorNet Inc (USA), PepperJam Network (USA), GSI Media Inc. (USA), M3 Mobile Co., Ltd. (Korea), MBS (USA), ClearSaleing (USA), True Action Network (USA), True Action Studio (USA)), GumTree.com Limited	To provide joint customers content and services (including, but not limited to registration, transactions, failover for carrier billing accounts, and customer support), to assess risk, or to help detect, prevent and/or remediate fraud, or other potentially illegal acts and violations of policies, and to guide decisions about their products, services and communications.	All Account information.

<p>(UK), Kijiji International Limited (Ireland), Kijiji US Inc. (USA), mobile.de &amp; eBay Motors GmbH (Germany), Shopping.com Inc. (USA), Shopping Epinions International Limited (Ireland), Marktplaats B.V. (Netherlands), Private Sale GmbH (Germany), StubHub, Inc. (USA), Viva Group, Inc. (USA), StubHub Europe S.à r.l. (Luxembourg), StubHub Services S.à r.l. (Luxembourg), Viva Group, Inc. (USA), ProStores Inc. (USA), MicroPlace, Inc. (USA), Internet Auction Co., Ltd. (Korea), Via-Online GmbH (Germany), Zong Inc.(USA) and X.commerce, Inc. (USA). eBay Europe Services Limited (Ireland), eBay GmbH (Germany)</p>			
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1. This notification advises you that PayPal is changing its Privacy Policy, including to reflect the new relationship that PayPal will have with eBay Inc. and its affiliates (“eBay”) after the companies are no longer affiliated by common corporate control. The update to the PayPal Privacy Policy is effective July 1, 2015, and the changes include the following:Overview
2. **Binding Corporate Rules**
3. **Information We Collect**
4. **Our Use of Cookies, Web Beacons, Local Storage and Similar Technologies**
5. **Recipients without registered PayPal Accounts and Requests**
6. **Our Use and Disclosure of Information**

- *process transactions and provide the PayPal Services;*
- *verify your identity, including during account creation and password reset processes;*
- *resolve disputes, collect fees, and troubleshoot problems;*
- *manage risk, or to detect, prevent, and/or remediate fraud or other potentially illegal or prohibited activities;*
- *detect, prevent or remediate violations of policies or applicable user agreements;*
- *provide you with customer support services;*
- *improve the PayPal Services by customizing your user experience;*
- *measure the performance of the PayPal Services and improve their content and layout;*
- *manage and protect our information technology infrastructure;*
- *provide targeted marketing and advertising, provide service updates, and deliver promotional offers based on the communication preferences you have defined for your PayPal account (please refer to the section "Our Contact with PayPal Customers" below) and your activities when using the PayPal Services; and*
- *perform creditworthiness and solvency checks, compare information for accuracy, and verify it with third parties."*

## 7. Disclosure to Third Parties other than PayPal Customers

- a. *Disclose necessary information to: the police and other law enforcement agencies; security forces; competent governmental, intergovernmental or supranational bodies; competent agencies (other than tax related authorities), departments, regulatory authorities, self-regulatory authorities or organizations (including, without limitation, the Agencies referenced in the "Agencies" section [here](#)) and other third parties, including PayPal Group companies, that we have reason to believe it is appropriate for us to cooperate with in investigations of fraud or other illegal activity or potential illegal activity, or to conduct investigations of violations of our User Agreement (including without limitation, your funding source or credit or debit card provider).*  
*We and other organizations, including parties that accept PayPal, may also share, access and use (including from other countries) necessary information (including, without limitation the information recorded by fraud prevention agencies) to help us and them assess and to manage risk (including, without limitation, to prevent fraud, money laundering and terrorist financing). Please [contact us](#) if you want to receive further details of the relevant fraud prevention agencies. For more information on these Agencies, fraud prevention agencies and other third parties, click [here](#).*
- b. *Disclose necessary information in response to the requirements of the credit card associations or a civil or criminal legal process.*
- c. *If you as a merchant use a third party to access or integrate PayPal, we may disclose to any such partner necessary information for the purpose of facilitating and maintaining such an arrangement (including, without limitation, the status of your PayPal integration, whether you have an active PayPal account and whether you may already be working with a different PayPal integration partner).*
- d. *Disclose necessary information to the payment processors, auditors, customer services providers, credit reference and fraud agencies, financial products*

*providers, commercial partners, marketing and public relations companies, operational services providers, group companies, agencies, marketplaces and other third parties listed [here](#). The purpose of this disclosure is to allow us to provide PayPal Services to you. We also set out [list of third parties](#), under each "Category", non-exclusive examples of the actual third parties (which may include their assigns and successors) to whom we currently disclose your Account Information or to whom we may consider disclosing your Account Information, together with the purpose of doing so, and the actual information we disclose (except as explicitly stated, these third parties are limited by law or by contract from using the information for secondary purposes beyond the purposes for which the information was shared).*

- e. *Disclose necessary information to your agent or legal representative (such as the holder of a power of attorney that you grant, or a guardian appointed for you).*
- f. *Disclose aggregated statistical data with our business partners or for public relations. For example, we may disclose that a specific percentage of our users live in Manchester. However, this aggregated information is not tied to personal information.*
- g. *Share necessary Account Information with unaffiliated third parties (listed [here](#)) for their use for the following purposes:*
  - i. *Fraud Prevention and Risk Managementto help prevent fraud or assess and manage risk. For example, if you use the PayPal Services to buy or sell goods using eBay Inc. or its affiliates ("eBay"), we may share Account Information with eBay in order to help protect your accounts from fraudulent activity, alert you if we detect such fraudulent activity on your accounts, or evaluate credit risk.*

*As part of our fraud prevention and risk management efforts, we also may share necessary Account Information with eBay in cases where PayPal has placed a hold or other restriction on your account based on disputes, claims, chargebacks or other scenarios regarding the sale or purchase of goods. Also, as part of our fraud prevention and risk management efforts, we may share Account Information with eBay to enable them to operate their programs for evaluating buyers or sellers.*

- ii. *Customer Service: for customer service purposes, including to help service your accounts or resolve disputes (e.g., billing or transactional).*
- iii. *Shipping: in connection with shipping and related services for purchases made using PayPal.*
- iv. *Legal Compliance: to help them comply with anti-money laundering and counter-terrorist financing verification requirements.*
- v. *Service Providers: to enable service providers under contract with us to support our business operations, such as fraud prevention, bill collection, marketing, customer service and technology services. Our contracts dictate that these service providers only use your information in connection with the services they perform for us and not for their own benefit."*

8. With respect to the column titled, "Purpose", each third party, with the exception of the regulatory agencies, certain of the payment processors and credit reference and fraud agencies and group companies referred to at the end of this table, is carrying out the purpose to fulfil obligations which PayPal has contracted with the entity to fulfil. The regulatory agencies are carrying out their purpose in accordance with their regulatory objectives and requirements. Where explicitly specified in the table, the payment processors and credit reference and fraud agencies may use the information in their respective databases, and forward information to third parties for the purposes of fraud prevention and the assessment of creditworthiness, in accordance with their respective terms.

## **Updates to the PayPal Buyer Protection Policy**

Effective date: July 1, 2015

### **1. General**

In Section 1. General we have removed the second sentence.

### **3. Eligibility**

Subsection 3.2 has been removed and replaced by the following reworded former Subsection 3.2, which has now become the new Subsection 3.2. Please mind that the numbering of the subsequent Subsections has been adjusted accordingly:

*3.2. Purchase of most goods and services are eligible (including travel tickets, intangible items such as rights of access to digital content and other licenses), except for purchases of the following:*

- *Real estate (including, without limitation, residential property);*
- *Businesses (including, without limitation, any items or services forming part of a business or corporate acquisition);*

- *Vehicles (including, without limitation, motor vehicles, motorcycles, aircrafts, and boats);*
- *Custom made items (unless they are claimed to be not received);*
- *Goods and services prohibited by the PayPal Acceptable Use Policy;*
- *Industrial machinery used in manufacturing;*
- *Items equivalent to cash (including, without limitation, gift cards);*
- *Any wager (whether by way of backing or laying against any outcome or otherwise) and any other opportunity to benefit from a gambling activity.*

Throughout the document, we have made adjustments with regards to the wording and corrected orthographical and grammatical mistakes.

## **Updates to the PayPal Acceptable Use Policy**

Effective date: July 1, 2015

### **Prohibited Activities**

In Section 2., we have added a new Subsection (c) *cigarettes* and adjusted the numbering of the following subsections accordingly.

Sections 5 and 6 have been removed.

### **Activities Requiring Approval**

The first column of the second row of the table has been amended to read as follows:

*Providing file sharing services or access to newsgroups; or selling alcoholic beverages, non-cigarette tobacco products, e-cigarettes, or prescription drugs/devices.*

Further, a new third row has been added to the table to read as follows:

*Activities involving gambling, gaming, and/or any other activity with an entry fee and a prize, including, but not limited to casino games, sports betting, horse or greyhound racing, fantasy sports, lottery tickets, other ventures that facilitate gambling, games of skill (whether or not legally defined as gambling), and sweepstakes, if the operator and customer are located exclusively in jurisdictions where such activities are permitted by law.*

*Please send contact information, business website URL, and brief business summary to [aup@paypal.com](mailto:aup@paypal.com).*

## **Transactions on eBay, Inc.**

This Section has been removed.

Throughout the document, we have made adjustments with regards to the wording and corrected orthographical and grammatical mistakes.

## **Amendment to the PayPal User Agreement (including Buyer Protection Policy)**

Effective Date: Jun 17, 2014

Please read this document PayPal will amend its User Agreement with effect as of the date stated above. You do not need to do anything to accept the changes as they will automatically come into effect on the above date. Should you decide you do not wish to accept them you can notify us before the above date to [close your account](#) immediately without incurring any additional charges.

Please review the current [Standard Terms](#)

## **Amendment to the PayPal User Agreement**

- **PayPal as Login Method**

PayPal will offer its Users the possibility to log into third party websites (such as Merchant websites) using their PayPal credentials. Therefore a new Section 2.4 has been added as follows:

**2.4 PayPal as Login Method.** *If you use PayPal as means of logging into external websites or mobile apps, we may share your login status with any third party offering this service as a login method, as well as the personal and other Account information that you consent to being shared so that the third party can recognize you. PayPal will not give such third party access to your PayPal Account and will only make payments from your Account to that third party with your specific Authorization.*

*If you as a Merchant offer this service as a means for visitors to log into your website, mobile app, or otherwise for your customer accounts, you must agree to any specific terms applicable when this functionality is made available to you, and comply with any specifications in any integration manual or guideline. PayPal does not guarantee or otherwise represent the identity of any user of this login method. PayPal will not share with you the personal and other Account information of the User (including login status) held by PayPal unless the User has consented to our disclosure of that information to you.*

*PayPal does not guarantee or otherwise represent the identity of the User; PayPal will only share with you (upon the User's consent) the personal and other information that has been saved for that PayPal Account that the User has specifically consented to be shared.*

## 1. Our execution of your Payment Orders

With the induction of SEPA, the cut-off times for the provision of your Payment Orders has been changed. For German PayPal Account holders, this will now be 4.00pm and Section 3.1 (a) has been amended as follows:

*a. You send your Payment Order before 4.00pm (local time of the country where your Account is registered) on a Business Day. If you provide us with your Payment Order after 4.00pm or not on a Business Day, you agree that your Payment Order was received by us on the following Business Day;*

## 2. Default Funding Sources

While giropay has been removed as a Funding Source, we are now describing the use of cards as Funding Sources more closely and we have also add a provision for new, Special Funding Sources:

**Cards as Funding Sources:** *By adding a debit card, credit card or pre-paid card as a Funding Source, you are providing PayPal with a continuous Authorization to automatically charge that card to obtain the relevant funds when the card is used as a*

*Funding Source pursuant to this Agreement. You can stop the continuous Authorization in respect of any card by removing that card as a Funding Source in your Account profile.*

**Special Funding Sources:** *Certain payments may be funded by special Funding Sources linked to your Account, such as merchant specific balance, gift vouchers or other promotional Funding Sources, the use and priority of which are subject to further terms and conditions between you and PayPal (“Special Funding Sources”). Your Account Overview may show, as part of your overall Account Balance, the notional amount available in your Special Funding Sources to fund qualifying payments at any given time.*

### **3. Preferred Funding Source**

The new Special Funding Sources can also be part of your Balance if you choose to add the respective merchant specific balance or gift voucher to your PayPal Account. Therefore, we have added the following to Section 3.5:

*Balance shall include any merchant specific balance or gift vouchers you have saved with your Account. Such Balance will only apply to the merchant and for the categories of items for which it is valid, and will expire in accordance with its specific terms.*

### **4. Third party initiated payments (including Recurring Payments)**

When using third party initiated payment (including Recurring Payments), you may also authorize such third-party when using location-based services, which is reflected in the following addition to Section 3.10:

You may also Authorize a third party (e.g. a Merchant) in the context of using location-based services to collect funds from your PayPal Account by choosing such third party in the location-based service (e.g. a mobile application). If you Authorize such third party, PayPal may in its sole discretion limit the total amount which the authorized third party may collect from your PayPal Account during a certain period of time.

Further, we have updated the list of cases, in which you request a refund from a third party initiated payment:

- f. The applicable amount exceeded the amount you could have reasonably been expected to make, taking into account your previous spending patterns and the circumstances of the case or;*
- g. Your consent to the making of the third party initiated payment was not given as set out in Section 3.1 (e); or*
- h. The information relating to the third party initiated payment was not provided or made available to you in reasonable time before the date the payment transaction was made to the Merchant; and*
- i. You notify us of the request within 8 weeks from the date the payment was made; and*
- j. You comply with our requests to obtain information which we reasonably require to review the circumstances of the case.*

## 5. Cancelling Recurring Payments

You may also cancel Recurring Payments when using location-based services as per the following addition to Section 3.11:

*You may also cancel a Recurring Payment in the context of location-based services.*

## 6. Payment after delivery

As a new Funding Source we offer selected Users the possibility of payment after delivery of the item ordered. The respective provisions have been added as new Section 3.14:

### **3.14 Payment after delivery.**

*These provisions shall apply to Buyers which chose to use “payment after delivery” as payment method.*

*This functionality enables you as a Buyer to pay for items purchased after delivery of the items you ordered. You will initiate the payment of the respective invoice amount in your PayPal Account.*

*PayPal will pay the Merchant at which you have ordered the items on your behalf directly after the order has been successfully placed. The invoice amount agreed upon between you and the Merchant shall be paid to the PayPal account of the Merchant.*

*PayPal shall not charge any fees or interest to you as a Buyer. You can pay the total open amount within 14 days from your order date or purchase date.*

*As soon as the total amount of debit after receipt of goods for your purchases reaches or exceeds an amount of EUR 15,000.00, PayPal may request further information about your identity from you. If you wish to use the payment after delivery functionality further, you have to provide us with the information requested.*

*We may decide in our sole discretion whether or not you will be eligible to use this functionality. Eligibility criteria amongst others shall be transaction activity. Only eligible PayPal Account holders will have the possibility to sign up for the functionality. Any decision about eligibility does not need to be substantiated. The functionality may be used by consumers and for private, non-commercial use only.*

*If you choose payment after delivery as payment method, the total transaction amount shall be financed from the bank account associated with your PayPal Account even in case of a positive balance amount on your PayPal Account, unless this bank account is not sufficiently covered. You authorize PayPal to debit your bank account with the transaction amount as soon as you have initiated this and to repeat such debit in case the first attempt to debit should have failed or the bank account has not been sufficiently covered.*

*If your preferred payment method is rejected, the order of payment methods as determined this Agreement shall apply. You authorize PayPal for every payment using payment after delivery to debit your bank account 14 days after the respective purchase or earlier, according to your preferences. Your bank account will only be debited if you initiate such debit via the respective interface in your PayPal Account. PayPal will also send you a reminder via e-mail.*

*If you are eligible for payment after delivery and if you have initiated a first payment, payment after delivery will be set up as your preferred payment method for all future purchase for which this payment method is applicable. You may choose the order of payment methods at any time in your PayPal Account during individual transactions.*

*PayPal may in its sole discretion and at any time terminate, cancel, deactivate, or change your eligibility for the use of payment after delivery.*

## **7. Payment upon installments**

We have also introduced the possibility of payment upon installment and therefore we have added the respective provisions as our new Section 3.15:

### ***3.15 Payment upon installments.***

*These provisions shall apply to Buyers which have entered into an installment payment agreement with a Merchant to which PayPal has subsequently acceded on the basis of an agreement with this Merchant.*

*Installment payments which as a result of accession are due to PayPal shall be paid for via direct debit, meaning that PayPal will debit your bank account with the installment at the agreed upon redemption dates. PayPal will appear as debiting party on your bank account statement. The provisions of Section 3.7 shall apply accordingly.*

*In deviation of Section 3.7, only your bank account will be used as a funding source for payments upon installments.*

*At any time, you have the option to make additional redemptions or to re-pay the credit in full.*

*If you want to use this option, you may do so via your PayPal Account or by contacting our Customer Service.*

## **8. Receiving money**

For the avoidance of doubt, we have extended Section 4 with a reference to the fact that anybody, whether or not such person has a PayPal Account, may initiate a payment to your Account:

*PayPal may allow anybody (with or without a PayPal Account) to initiate a payment to your Account.*

Further, we have added a provision for Merchant to Section 4.2, if such Merchant chooses to offer PayPal Invoice as Funding Source:

*d. If as a Merchant you choose to offer PayPal Invoice you have to accept this product as a payment method and you have to accept the additional conditions as per Section 6a. of this Agreement.*

## **9. PayPal Invoice**

Payment upon invoice is a functionality at PayPal, for which we have added the new Section 6a.:

### ***6a. PayPal Invoice***

***6a.1 PayPal Invoice.*** *As a Merchant you have the opportunity to offer PayPal Invoice to Buyers residing in Germany as a payment method. This shall especially apply to transactions as per Section 4.2 (d) of this Agreement, but also to transactions which have not been processed on eBay.de.*

*We reserve the right to only offer this service to selected Merchants and to terminate or to limit this service in full or in part at any time. There shall be no entitlement to the eligibility for PayPal Invoice.*

*In the scope of PayPal Invoice, we purchase from you as a Merchant receivables against your Buyers.*

*We offer such Buyers the possibility to pay via bank transfer (the Buyer does not need to have a PayPal Account in such cases) or via payment after delivery.*

***6a.2 Assignment.*** *You shall be obliged to provide PayPal with a relevant data regarding your Buyer. Relevant data means all data PayPal needs to perform the PayPal Invoice service or which may be deemed useful in this context, this at least being name, first name, street, house number, postcode, city or town, date of birth, and e-mail address of the Buyer.*

*Once PayPal Invoice is chosen by the Buyer as payment method, PayPal will perform a risk check and will decide on the basis of this risk check, whether or not payment can be made using the PayPal Invoice service. If after such risk check and acceptance of the transaction by PayPal via the respective interface ("Positive Risk Check") a purchase contract is made, the Positive Risk Check shall simultaneously be deemed an offer by PayPal to you to buy the receivable. You shall accept this offer by the successful notification of shipment to PayPal via the "Report Shipment" interface or by sending the order confirmation to the Buyer.*

*PayPal will in its own discretion decide whether or not payment with PayPal Invoice is possible. Such decision does not need to be substantiated.*

*You may not offer PayPal Invoice as a payment method for purchases violating our Acceptable Use Policy.*

**6a.3 Accompanying provisions for the purchase of claims.** *Items shall be shipped by you upon order by the Buyer. The same shall apply to mailing of invoices, unless otherwise agreed. Items shall be shipped 7 Business Days after the order from the Buyer the latest. You shall notify us about shipment via the dedicated interface. Notice of shipment may only be given if the item has been shipped.*

*After the assignment of claims, payments shall be made exclusively to PayPal in full discharge of the Buyer's payment obligations.*

*PayPal shall be responsible for the collection of purchased claims (debtor management). PayPal may contract with third party services providers of its own choice for any additional collection measures.*

*You shall include a notice regarding the assignment of claims in all invoices. In addition, you have to advise your Buyers that payment must be made exclusively to the account of PayPal. Further, you have to advise your Buyers that payment is due 14 days after receipt of the article.*

*You authorize PayPal to agree upon terms of use with the Buyer for PayPal Invoice, which terms shall define the specific terms of payment upon invoice (including late fees for which the Buyer is responsible if in default). You authorize PayPal to obtain identity and credit information about potential Buyers in connection with PayPal Invoice. The obtaining of such information shall be performed by PayPal at its own cost.*

*PayPal hereby reserves the right not to purchase claims for certain products, product groups, or branches.*

**6a.4 Provisions regarding assigned claims.** Assigned claims are subject to the following provisions:

1. *You agree to provide us with proof of shipment in compliance with the provisions of our Seller Protection Policy upon request;*
2. *You undertake to report to PayPal all payments received in settlement of claims assigned to PayPal without undue delay. This shall also apply mutatis mutandis to any accord and satisfaction ("Leistung an Erfüllungs statt") and accord and conditional satisfaction ("Leistung erfüllungshalber"). Upon request by PayPal, you shall transfer all payments received by you in settlement of claims assigned to PayPal.*

*In case of any (partial) returns, rescissions, credits, or cancellations, you undertake to notify PayPal about any such circumstance via the dedicated interface without undue*

*delay.*

*6a.5 Purchase price and disbursement of funds. The purchase price shall be the payable amount agreed between you and the Buyer at the moment the purchase agreement has become effective.*

*PayPal also purchases accounts receivable for costs of shipping, provided that the Buyer is responsible for such cost. In return for the sale of your claim against the Buyer, you shall receive from PayPal the price of the receivable less fees (see Schedule 1, Table of Fees) into your PayPal Account.*

*Our disbursement shall be due immediately. PayPal shall deduct fees due from the amounts to be disbursed to you.*

*In the event that the Buyer should disengage from the contract (e.g. by rescission) before the purchase price is paid, PayPal shall be entitled to reclaim amounts previously disbursed to you.*

*In the event of a (partial) rescission by the Buyer, PayPal shall reimburse the (partial) purchase price to the Buyer and shall be entitled to reclaim amount previously disbursed to you.*

*In all of these cases, you have to initiate the reimbursement to PayPal by sending the open amount in your PayPal Account to PayPal.*

**6a.6 Warranties.** You hereby warrant – irrespective of fault, whether willful or negligent – that the following is true and correct for claims assigned to PayPal:

3. *The assigned claims, including all ancillary rights, are valid;*
4. *Assignment is not prohibited;*
5. *The reported claims have not been assigned to any third party;*
6. *You have the right to assign the claims;*
7. *The validity of the claims will not be subject to any subsequent changes by you;*
8. *The products or services underlying each claim will be delivered as agreed and in full;*
9. *The Buyer has been duly notified of its rights of withdrawal and restitution prior to the conclusion of the contracts;*
10. *The right of withdrawal provided by you to the Buyer does not exceed statutory rights of revocation;*
11. *The Buyer will be granted payment due dates as determined by PayPal;*
12. *No subsequent changes to any data relating to the claims (e.g. delivery address) have been made.*

*If you are in breach with any of the warranties made in this Section 6a.6, we shall be entitled to demand cure of such breach (cure). If a breach is not cured within the grace period set by us, we may rescind the transfer of the claim and we shall be allowed to*

*terminate the agreement with you extraordinarily. In such cases, we may net claims with any credit balances due to you. We expressly reserve the right to seek additional damages.*

**6a.7 Obligations.** *The provisions of Section 6a.6 shall remain unaffected.*

*Claims assigned to us are subject to the following conditions:*

13. *The parties hereby agree that effective as of the assignment of a claim to PayPal, all rights and claims held by you under applicable law or the contract with the Buyer, including, without limitation, claims for replevin or return of delivered articles shall be transferred to us;*
14. *The parties further agree that all of your rights to articles sold prior to assignment of the claims, including, without limitation, (retained) title, shall be transferred to PayPal. You further assign to us all claims for replevin against the Buyer or any third party, who have direct possession of the articles;*
15. *For purchases with shipment by carrier, you hereby assign all claims against the carrier and its right to track the articles in transit to us;*
16. *In addition, you hereby assign to us all claims for insurance coverage related to the assigned claims and articles (such as credit insurance, shipping insurance, burglary and theft insurance, fire insurance, etc.). If assignment is conditional upon any additional requirements, you agree to effect assignment in compliance with such requirements;*
17. *You shall also assign all ancillary rights, including, without limitation, the right to invoice the Buyer for late fees in the event of non-payment, amend or terminate contracts. This right shall not be affected by any termination of this Agreement;*
18. *The parties agree that the above collaterals shall secure PayPal's claims against the Buyer as well as all of PayPal's claims against you.*

**6a.8 Procedure for defenses or objections by the Buyer.** *Notwithstanding the assignment of claims and the transfer of responsibility of collection of accounts receivable to us, you shall remain responsible for processing complaints, returns/objections and general inquiries by the Buyer.*

## **10. Restricted Activities**

Section 9.1 has been supplemented with literati ah. and ai. relating to Merchants:

*ah. Integrate or use any of the Services without fully complying with all mandatory requirements communicated to you by way of any integration or programmers' guide or other documentation issued by PayPal from time to time;*

*ai. Make excessive use of the Authorization to collect funds given to you by the Buyer (e.g. when using location-based services).*

## **11. Keeping your Payment Instrument Safe**

Also with regards to the safety of your Payment Instrument as per Section 9.2, we have

added two new provisions as new literati i. and j.:

- i. Keep your personal details in your Account up to date. We may be unable to respond to you if you contact us about your Account from an address, telephone number or e-mail account that is not registered with us;*
- j. Take all reasonable steps to protect the security of the personal electronic device through which you access the Services (including, without limitation, using PIN and/or password protected personally configured device functionality to access the Services and not sharing your device with other people and informing us immediately in case you lose the device).*

## **12. Payment Hold**

Section 10.5 has been amended and a new literati b. has been added with regards to Payment Holds when using PayPal Invoice. Former literati b. has now become c., but otherwise has not seen any changes:

- b. With regards to PayPal Invoice, PayPal may temporarily retain a payment to you as long as it is unclear, whether or not articles have been shipped, arrived at the Buyer or have been wrongly marked as shipped ("Report Shipment");*
- c. You acknowledge and agree that any payments held under this section Section 10.5 may be placed in your Reserve Account and that you will provide to PayPal any information as PayPal may reasonably request to allow PayPal to determine whether the risk has passed.*

## **13. Schedule 1 Table of Fees**

Since PayPal has meanwhile introduced the Russian Ruble (RUB) as a currency, the respective caveats have been removed.

Further, our group of countries "Europe II" has been supplemented with some countries:

*\*\*\* Albania, Andorra, Belarus, Bosnia & Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Hungary, Kosovo, Latvia, Liechtenstein, Lithuania, Macedonia, Moldova, Poland, Romania, Russian Federation, Serbia, Switzerland, Turkey, Ukraine.*

### **Changes to Buyer Protection Policy and Seller Protection Policy**

Here we have added new functionalities such as payment upon installments and payments using credit cards or direct debit hosted by PayPal and we have added the respective provisions.

### **Changes to the Privacy Policy**

Section 3 has been amended in the last paragraph as follows:

If we allow you to link your membership of an eligible loyalty scheme to your account, we may require you to provide to us your loyalty scheme membership ID.

In the following paragraph, we have added the underlined part (underlined for accentuation only):

When you use the PayPal Services to send money to someone else or request money from someone else, we ask you to provide information related to that transaction. This information includes the amount and type of transaction (purchase of goods, purchase of services, or simple money transfer), other purchase details and the e-mail address, Skype ID (if applicable) or phone number of the third party. Also, when you send money to another PayPal customer, you may be asked to provide personal details to that customer to complete the transaction. Those details may also be passed on to us from that customer. We retain this information for each of your transactions through the PayPal Services and may add this information to your account profile to be used for future transactions that you may make with us. We also collect the Internet address (IP address) and other identifying information about the computer or device you use to access your PayPal account or use the PayPal- Services, in order to help detect possible instances of unauthorized transactions.

Section 4 has been amended by adding the paragraph “Content Posted By You for Publication”:

When providing us with content or posting content [(in each case for publication, whether on- or off-line)] using the PayPal Services, you grant eBay Inc, and its subsidiaries and subsidiary undertakings (which includes, without limitation, PayPal) (the “eBay Group”) a non-exclusive, worldwide, perpetual, irrevocable, royalty-free, sub-licensable (through multiple tiers) right to exercise any and all copyright, publicity, trademarks, database rights and intellectual property rights you have in the content, in any media known now or in the future. Further, to the fullest extent permitted under applicable law, you waive your moral rights and promise not to assert such rights against the eBay Group, its sub-licensees or assignees. You represent and warrant that none of the following infringe any intellectual property right: your provision of content to us, your posting of content using the PayPal Services, and the eBay Group’s use of such content (including of works derived from it) in connection with the PayPal Services.

In the “Disclosure to Other PayPal Customers” paragraph, we have added the following:

If you use PayPal as means of logging into external websites or mobile apps, we may share your login status with any third party offering this Service as a login method, as well as the personal and other account information that you consent to being shared so that the third party can recognize you. PayPal will not give such third party access to your PayPal account and will only make payments from your account to that third party with your specific authorization. You can access, view and control the settings for any such data sharing with merchants when logged into your PayPal account.

If you link your membership of an eligible loyalty scheme to your account in our mobile app, we may share your loyalty scheme membership ID with any merchant participating in the relevant loyalty scheme when you pay that merchant using PayPal. If you remove your loyalty scheme membership ID from your account, we will stop sharing this information.

The paragraph “Disclosure to Third Parties other than PayPal Customers” has been amended by the underlined part (underlined for accentuation only):

d. Disclose information to the “Categories” of third parties listed in the table below. The purpose of this disclosure is to allow us to provide our services to you. We also set out in the table below, under each “Category”, non-exclusive examples of the actual third parties (which may include their assigns and successors) to whom we currently disclose your account information. Together with the purpose of doing so, and the actual information we disclose (except as explicitly stated, these third parties are limited by law or by contract from using the information for secondary purposes beyond the purposes for which the information was shared).

Further, we have amended the overview table (only amended parts shown below):

Attensity Europe GmbH	To provide customer services arising from customer contacts to PayPal on social media channels	Information provided by the customer via social media channels which may include name, address, phone number, email addresses, social media user names, truncated and limited or full funding source information (case dependent), funding source expiration dates, type of PayPal account, proof of identity, account balance and transaction information, customer statements and reports, account correspondence, shipping information, and promotional information.
ePerformax Contact Centers & BPO (USA), Genpact International Inc. (USA)	To provide services regarding payments.	Name, address, phone number, email addresses, truncated and limited or full funding source information (case dependent), funding source expiration dates, type of PayPal account, proof of identity, account balance and transaction information, customer statements and reports, account correspondence, shipping information, and promotional information.

LexisNexis (UK), LexisNexis Risk Solutions UK Limited (UK)	To assist with customer authentication	Name, address and date of birth
Zoot Enterprises, Inc. (USA), Zoot Deutschland GmbH (Germany), Zoot Enterprises Limited (UK)	To process technical applications and to provide a data and document gateway for account review and vetting purposes, and to exchange user information to contracted fraud and credit reference agencies. To also aggregate data from internal and external data sources and provide statistical analysis in order to assess the risk of fraud.	All account information and documents supplied by customers, to include information used to provide identity and address. This information may also include IP addresses.
MaxMing Inc. (USA)	<p>To detect fraud.</p> <p>Please note that data disclosed to this service provider may be:</p> <ul style="list-style-type: none"> <li>• retained by it for audit and fraud prevention purposes;</li> <li>• used by it for the purpose of optimizing its fraud detection services provided to PayPal and other third parties; and</li> <li>• transferred outside of the EU and on a global basis.</li> </ul>	All account information and IP address, credit card information.
Future Route Ltd (UK)	To carry out accounting data analysis of our commercial users for real time credit-risk evaluation.	Name, address, e-mail address and date of birth.
Total System Services, Inc. (USA)	To process merchant initiated and customer authorized payments (including customer direct debit information) to provide account/card	Name, address, email address, date of birth (where required), all account information and documents supplied by customers, to

	processing services, to store transaction, payment and other customer data related to those transactions. To provide call center services, card printing, and statement printing services.	include information required to prove identity and address.
Decipher Inc. (USA) and Northstar Research Partners (USA)	To conduct customer service surveys.	Name, email address, type of account, type and nature of the PayPal services offered or used and relevant transaction information.
Daniel J Edelman Ltd (UK), I&E Consultants (France), Rock Communications Limited (UK), Rock Communications (Italy), Fleisher (Israel), Clue PR (Poland)	To respond to media enquiries regarding customer queries.	Name, address, all customer account information relevant to customer queries.
Business support services – b2s SAS (France), Foule Access SAS (France)	To store merchants' contact information for marketing communications to propose those merchants.	Name of the merchant, name of the contact person, address, email address, phone number, merchant website URL.
Appnexus, Inc. (US), BlueKai, Inc. (US), Conversant GMBH (Germany), Google Ireland, Ltd. (Ireland), DoubleClick Europe Ltd (UK).	To execute retargeting campaigns in order to deliver personalized advertising.	Anonymous ID generated by cookies, pixel tags or similar technologies embedded in webpages
Criteo SA (France)	To execute retargeting campaigns in order to deliver personalized advertising.	Anonymous ID generated by cookies, pixel tags or similar technologies embedded in webpages and emails delivered to users.
Linkedin Ireland Limited (Ireland)	To execute retargeting campaigns in order to deliver personalized advertising.	Encrypted e-mail address associated with PayPal users (without indicating account relationship).
Conversant Inc. (USA)	To execute and measure retargeting campaigns in order to identify visitors and redirect them through personalized advertising campaigns.	Name, email address, phone number, and/or PayPal Account ID (as appropriate) as well as device ID used by a specific person, content of advertisements to be delivered and segmentation

		in a user group for advertisement purposes
StrikeAd UK Ltd. (UK), Ad-x Limited (UK)	To execute and measure retargeting campaigns in order to segment users for PayPal Here marketing campaigns.	Anonymous cookie ID and device ID to segment user groups for marketing purposes.
Fiksu, Inc. (US)	To execute and measure retargeting campaigns in order to segment users for marketing campaigns involving PayPal mobile applications.	Device ID used for Apple's iOS operating system when a user installs an application, signs up for the PayPal Services, logs in, checks in, or sets a profile picture.
Nanigans, Inc. (US)	To execute retargeting campaigns in order to deliver personalized advertising.	Advertising ID associated with Apple iOS devices when a user installs an application, relaunches an application, signs up for the PayPal Services, logs in, checks in, checks their balance, saves an offer, successfully completes a transaction, sets a profile picture, or makes other account changes in or related to the use of the application.
Facebook, Inc (USA), Facebook Ireland Limited (Ireland) and Twitter, Inc. (USA)	To show relevant advertisements to Facebook and Twitter users (as the case may be).	Encrypted e-mail address associated with PayPal Users (without indicating account relationship).
Oracle America Inc. (USA)	To develop, measure and execute marketing campaigns.	Name, business name, address and registration number of merchant, name, job title, email address, phone number of merchant's contact person, merchant website URL, PayPal account number, third party applications used by the merchant.
Purepromoter Ltd t/a Pure360	To send service related and (depending on opt-in settings)	Mobile Number, name, address, e-mail address,

	<p>promotional SMS messages to PayPal users.</p>	<p>business name, business contact details, domain name, account status, account type, account preferences, type and nature of the PayPal services offered or used and relevant transaction and account information</p>
<p>Kanzlei Dr. Seegers (Germany), Dr. Frankenheim &amp; Partner Lawyers (Germany, Austria), , Akinika Debt Recovery Limited (UK), Capita Plc (UK), Compagnie Francaise du Recouvrement (France), Clarity Credit Management Solutions Limited (UK), eBay Europe Services SARL (Luxembourg); EOS Solution Deutschland GmbH (Germany), EOS Aremas Belgium SA/NV (Belgium), EOS Nederland B.V. (the Netherland), Arvato Infoscore GmbH (Germany), Infoscore Iberia (Spain), SAS (France) Transcom WorldWide S.p.A. (Italy), Transcom Worldwide SAS (Tunisia), Intrum Justitia S.p.A. (Italy).</p>	<p>To collect debt.</p>	<p>Name, address, phone number, account number, date of birth, e-mail address, account type, account status, last four digits of financial instruments account, sort code, account balance, details of account transactions and liabilities, name of funding source provider and copies of all correspondence in each case relating to amounts you owe (or another person owes) to us.</p>
<p>Begbies Traynor Group plc (UK), Moore Stephens LLP (UK), Moore Stephens Ltd (UK), Moore Stephens International Ltd (UK), Moorhead James LLP (UK), Comas Srl (Italy), RBS RoeverBroennerSusat GmbH &amp; Co. KG (Germany), LLC Elitaudit (Russia), National Recovery Service (Russia).</p>	<p>To investigate (including, without limitation, to carry out asset and/or site inspections and or business evaluations) and/or collect debt from potentially and actually insolvent customers</p>	<p>Name, address, phone number, account number, date of birth, email address, account type, account status, last four digits of financial instruments account, sort code, account balance, details of account transactions and liabilities, name of funding source provider and copies of all correspondence, in each case relating to amounts you owe (or another person owes) to us.</p>

<p>KSP Kanzlei Dr. Seegers (Germany), BFS Risk &amp; Collection GmbH (Germany); HFG Hanseatische Inkasso- und Factoring-Gesellschaft (Germany), Creditreform Berlin Wolfram KG (Germany), BID Bayerischer Inkasse Dienst AG (Germany) Team 4 Collect (Spain), Arvato Polska (Poland), BCW Collections Ireland Ltd (Ireland), S.C. Fire Credit S.R.L. (Romania), Gothia Financial Group AB (Sweden), Gothia AS (Sweden), Gothia A/S (Denmark), Gothia Oy (Finland), Credit Solutions Ltd (United Kingdom).</p>	<p>To collect debt; to handle reporting to credit reference agencies about defaulting customers.</p>	<p>Name, address, phone number, account number, date of birth, email address, account type, account status, last four digits of financial instruments account, sort code, account balance, details of account transactions and liabilities, name of funding source provider, applicable details of account behavior and correspondence relevant for reporting to credit reference agencies.</p>
<p>Zyklop Inkasso Deutschland GmbH (Germany), PNO inkasso AG (Germany), Hanseatische Inkasso-Treuhand GmbH (Germany).</p>	<p>To collect and manage debt, to support collections teams in case of insolvent customers</p>	<p>Name, address, phone number, account number, email address, account type, account status, last four digits of financial instruments account, sort code and name of funding source provider, account balance, date and amount of last payment, results of creditworthiness checks</p>
<p>Akamai Technologies Inc. (USA)</p>	<p>Content delivery network – to deliver PayPal page content from local servers to users.</p>	<p>User IP address and cookies.</p>
<p>Zoot Enterprises, Inc. (USA), Zoot Deutschland GmbH (Germany), Zoot Enterprises Limited (UK)</p>	<p>To process technical applications and to provide a data and document gateway for account review and vetting purposes, and to exchange user information to contracted fraud and credit reference agencies.</p>	<p>All account information and documents supplied by customers such as proofs of identity and address</p>
<p>Interxion Datacenters B.V.</p>	<p>To provide data center operations support for the BillSAFE credit product.</p>	<p>All relevant account information and transaction information (as appropriate).</p>
<p>eBay Inc. (USA), eBay Europe S.à r.l. (Luxembourg), eBay</p>	<p>To provide joint customers content and services</p>	<p>All account information.</p>

<p>Services S. à r.l (Luxembourg), eBay International AG (Switzerland), eBay Corporate Services GmbH (Germany), eBay France SAS (France), eBay (UK) Limited (UK), eBay CS Vancouver Inc. (Canada), eBay Partner Network Inc. (USA), eBay Internet Support (Shanghai) Co Ltd (China), eBay Enterprise Marketing Solutions (USA) (formerly GSI Commerce, Inc (USA), VendorNet Inc (USA), PepperJam Network (USA), GSI Media Inc. (USA), M3 Mobile Co., Ltd. (Korea), MBS (USA), ClearSaleing (USA), True Action Network (USA), True Action Studio (USA)),GumTree.com Limited (UK), Kijiji International Limited (Ireland), Kijiji US Inc. (USA), mobile.de &amp; eBay Motors GmbH (Germany), Shopping.com Inc. (USA), Shopping Epinions International Limited (Ireland), PayPal Australia Pty Limited (Australia), Marktplaats B.V. (Netherlands), PayPal Charitable Giving Fund (USA), PayPal Giving Fund UK (UK), Tradera AB (Sweden), StubHub, Inc. (USA), Viva Group, Inc. (USA), StubHub Europe S.à r.l. (Luxembourg), StubHub Services S.à r.l. (Luxembourg), Viva Group, Inc. (USA), ProStores Inc. (USA), MicroPlace, Inc. (USA), Internet Auction Co., Ltd. (Korea), Via-Online GmbH (Germany), Bill Me Later, Inc. (USA), e-Dialog, Inc. (USA), Zong Inc.(USA), and X.commerce, Inc. (USA).</p>	<p>(including, but not limited to registration, transactions, failover for carrier billing accounts, and customer support), to assess risk, or to help detect, prevent and/or remediate fraud, or other potentially illegal acts and violations of policies, and to guide decisions about their products, services and communications.</p>	
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## **Other changes**

Sections of the PayPal User Agreement, the PayPal Privacy Policy, the PayPal Buyer Protection, and the PayPal Seller Protection have been amended to address existing wording and correct typographical errors.