

## Past Policy Updates

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

### Amendment to the PayPal User Agreement

Effective Date: May 07, 2013



- **Amendment to the PayPal User Agreement.**

PayPal is updating the In-Store Checkout experience. Currently, In-Store Checkout users can select both a Preferred Payment Method and a backup payment method. As of May 7, 2013, In-Store Checkout users will no longer be able to select a backup payment method. If you have already set a Preferred Payment Method and a backup payment method for In-Store Checkout and your Preferred Payment Method selection is PayPal balance, your Preferred Payment Method will be replaced with your currently set backup payment method. In all other cases, your Preferred Payment Method will not change and your backup payment method selection will be removed. In addition, when you make an In-Store Checkout payment and have available PayPal balance, your balance will be used to fund your transaction before your Preferred Payment Method, unless you have selected PayPal Credit as your Preferred Payment Method. Section 16 (Definitions) will be amended to include a new definition for a "Mobile In-Store Payment", which means using the check in function in the PayPal mobile application to pay with PayPal based on your proximity to the recipient's location. The definition of In-Store Checkout will be amended to include Mobile In-Store Payments.

Also as of May 7, 2013, the PayPal Grace Period feature described in Section 3.16(f) will be no longer be offered. All references to PayPal Grace Period in the User Agreement will be removed, including Section 3.2 (Default Payment Methods), Section 3.16(f) (PayPal Grace Period), Section 7.1 (How to Close Your Account), Section 12.1 (Protections for Unauthorized Transactions and Other Errors), Section 13.2 (Eligibility Requirements for PayPal Purchase Protection), Section 13.3 (Ineligible Items for PayPal Purchase Protection), Section 13.5 (Dispute Resolution), and Section 16 (Definitions).

The following sections will also be amended to reflect the updates to In-Store Checkout:

1. **3.2 Default Payment Methods.** When you make a payment, if you have not selected a Preferred Payment Method, PayPal will fund your transaction in this order:
  1. Balance
  2. Instant Transfer from your bank account
  3. PayPal Credit
  4. Debit card
  5. Credit card
  6. eCheck

Note: If you do not want to use your Balance, you can withdraw it before making a payment.

2. **3.3 Preferred Payment Method.** You may select a Preferred Payment Method each time you make a payment, except when making a Preapproved Payment, a No Log-In Payment, or an In-Store Checkout payment. Certain funding sources may not be available for certain products; if there are funding source limitations, these will be disclosed to you as part of your transaction flow for the specific product in question. For a Preapproved Payment or, in most instances, a No Log-In Payment, you can select a Preferred Payment Method when you provide your initial authorization for this payment and through the My Preapproved Payment section of your Account Profile (it may be called "Backup Payment Method"). For In-Store Checkout payments, you may change your Preferred Payment Method in your Account Profile prior to initiating your transaction.

If you select a Preferred Payment Method but have available Balance in your Account, your Balance will be used to fund your payment first. If you set a PayPal Credit product or eCheck as your Preferred Payment Method in your Account Profile, it will be used to fund your PayPal payments first, even if you have a Balance.

3. **3.8 Preapproved Payments.** A Preapproved Payment, including an In-Store Checkout payment, is a payment in which you authorize a Merchant to directly charge your Account on a one-time, regular, or sporadic basis. Preapproved Payments are sometimes called "subscriptions", "recurring payments", "preauthorized transfers" or "automatic payments". Within 2 Business Days of any Preapproved Payment made from your Account, you will receive a confirmation of this transaction by email. The following applies to any Preapproved Payments you make:
  - c. **Preapproved Payments for In-Store Checkout.** For In-Store Checkout transactions, if we are not able to get an authorization from the Preferred Payment Method you have set with us but we allow you to proceed with the transaction and pay the Merchant, you authorize us to debit your PayPal Account or any of the Payment Methods linked to your PayPal Account to fund your transaction or recover any amounts we paid the Merchant on your behalf. We will only recover up to the amount of the In-Store Checkout transaction you authorized and we paid. You may cancel the authorization for In-Store Checkout in your Account Profile, but you will still be able to pay in stores using Mobile In-Store Payments.
4. **3.16(a) In-Store Checkout, General.** In-Store Checkout allows you to make payments using your PayPal Account in a Merchant's physical store if the Merchant accepts PayPal. In-Store Checkout payments are made using your mobile phone number, a PayPal payment card (the "PayPal Payment Card"), or Mobile In-Store Payments. You must confirm your mobile phone number with PayPal by registering it with PayPal, setting a PIN, and receiving a confirmation from us via SMS. You request a PayPal Payment Card when you sign up for In-Store Checkout at [www.PayPal.com/anywhere](http://www.PayPal.com/anywhere). If you do not receive your PayPal Payment Card within 14 Days after requesting it, or if your card is lost or stolen, you must follow the procedures set forth in Section 12 to report the lost or stolen card.

## Amendment to the PayPal Debit Card Cardholder Agreement

Effective Date: Dec 05, 2012



### • Amendment to the PayPal Debit Card Cardholder Agreement

1. The Agreement is being amended to clarify that it covers both the PayPal Debit MasterCard ("Consumer Debit Card") and PayPal Business Debit MasterCard ("Business Debit Card").

2. The Agreement is being amended to include a definition of the term "Debit Card" or "Card." This is the term now used throughout the Agreement when referring to the card. This definition will now read:

"Debit Card" or "Card" means the Consumer Debit Card or Business Debit Card issued to you by The Bancorp Bank.

3. The Agreement is being amended because the Agreement will now be subject to an arbitration provision. It now reads:

THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE FEDERAL ARBITRATION ACT. See Section 23 (Arbitration) below.

4. A new Section 4 is being added detailing the representations and warranties. This section will now read:

**4. ATM withdrawal and spending limits.** Business Debit Card transactions are subject to a daily limit of \$400.00 for ATM withdrawals and cash-like withdrawals (e.g. cash advances and money transfers), a \$3000.00 daily limit for purchases. Consumer Debit Card transactions are subject to a daily limit of \$300 for ATM withdrawals and cash-like withdrawals (e.g., cash advance and money transfers) and a \$1,000 limit for purchases. PayPal retains sole discretion to apply and change these limits.

5. Section 5.c. is being amended because the number of days for a hold to be removed is being increased from 4 to 10 days. This section will now read:

**5.c. Authorization Holds.** If you use your Debit Card at an automated fuel dispenser ("Pay at the pump"), the merchant may preauthorize the transaction amount up to \$100 or more. If your Debit Card is declined, even though you have sufficient funds available, use your Debit Card to pay for your purchase inside with the cashier. This hold will be released once merchant submits the transaction for settlement. If you use your Debit Card at a restaurant, a hotel, for a car rental purchase, or for similar purchases, the merchant may preauthorize the transaction amount for the purchase amount plus up to 20% or more to ensure there are sufficient funds available to cover tips or incidental expenses that may be incurred. Any preauthorization amount will place a "hold" on your available funds until the merchant sends us the final payment amount of your purchase. It may take up to ten (10) days for the hold to be removed. During the hold period, you will not have access to the preauthorized amount.

When you use your Debit Card to purchase goods or services or to obtain cash from a merchant, the merchant may attempt to obtain preauthorization from us for the transaction. If the merchant makes such a request, we place a hold on your Card Account for up to ten (10) days for the amount of the preauthorization request (which may vary in some cases from the amount of the actual purchase, depending on the merchant). This hold may affect the availability of funds in your Card Account. We will not be responsible if any transactions are not completed because of the hold. If the preauthorization request varies from the amount of the actual transaction, we will debit the actual transaction amount from your PayPal Balance, even if this results in your PayPal Balance becoming negative because no Backup Funding Source was available. You remain responsible for any negative balances in your Card Account.

6. Section 5.f is being amended because the ATM withdrawal and spending limits were increased. This section will now read:

**5.f. ATM withdrawal and spending limits.** Business Debit Card transactions are subject to a daily limit of \$400.00 for ATM withdrawals and cash-like withdrawals (e.g. cash advances and money transfers), a \$3000.00 daily limit for purchases. Consumer Debit Card transactions are subject to a daily limit of \$300 for ATM withdrawals and cash-like withdrawals (e.g., cash advance and money transfers) and a \$1,000 limit for purchases. PayPal retains sole discretion to apply and change these limits.

7. Section 5 is being amended to clarify when fees apply. This section will now read:

#### 5. PayPal Debit Card Fees.

ATM Withdrawal US	\$ 1.00 Per ATM Withdrawal within US (Plus any amounts charged by the ATM owner.)
Signature Withdrawal	\$ 3.00 Per Signature Withdrawal if a signature is required to obtain cash.
Non-US ATM Transaction (Using an ATM machine that is not in the US)	1%; Per withdrawal from a non-US ATM. This fee will apply even if the transaction does not require a currency conversion.
Non-US Debit Card Usage (Making a purchase from a seller that is not in the US)	1%; Per purchase from a non-US merchant. This fee will apply even if the transaction does not require a currency conversion.
Exchange Rate & Fee	The currency exchange rate is determined by The Bancorp Bank based on the current market price and includes a 2.5% Fee. This Fee is variable and only applies when The Bancorp Bank performs the currency conversion.

If you use an ATM for any transaction, including a balance inquiry, you may be charged a fee by the ATM owner even if you do not complete a withdrawal. This ATM fee is a third party fee amount

assessed by the individual ATM operator only and is not assessed by us. This ATM fee amount will be charged to your Card.

8. Section 12 is being amended to correct the area code on the phone number. This section will now read:
- 12. Card Replacement.** If you need to replace your Debit Card for any reason, please contact us at 866-888-6080 to request a replacement Debit Card. You will be required to provide personal information which may include your Debit Card number, full name and transaction history.
9. Section 17 is being amended because we are removing that to cancel this Agreement you must return your card, and instead are stating that you may cancel this Agreement by calling Customer Service and including the number. This section will now read:

**17. Amendment and Cancellation.** From time to time, we may amend this Agreement by posting a revised version on the PayPal website. The revised version will be effective at the time we post it. In addition, if the revised version includes a Substantial Change, we will provide you with 30 Days' prior notice of Substantial Change by posting notice on the "Policy Updates" page of the PayPal website. However, if the change is made for security purposes, we can implement such change without prior notice. We may cancel or suspend your Card or this Agreement at any time. You may cancel this Agreement and your Card by calling Customer Service at 866-888-6080. Your termination of this Agreement will not affect any of our rights or your obligations arising under this Agreement prior to termination.

10. Section 18.1 is being amended because we are adding definitions to the terms "Unauthorized Transactions" and "Other Errors."

The section will now read:

**18.1 Protection for Unauthorized Transactions and Other Errors.** When an Unauthorized Transaction or Other Error occurs in your Card Account, including Unauthorized Transactions that occur because your Debit Card has been lost or stolen, we will cover you for the full amount of every eligible Unauthorized Transaction or Other Error as long as you follow the procedures discussed below in this section.

An "Unauthorized Transaction" is a type of error that occurs when money is sent from your Account that you did not authorize and that did not benefit you. For example, if someone steals your Debit Card and PIN, uses the Debit Card to access your Account, and makes a withdrawal from your Account, an Unauthorized Transaction has occurred. If you give someone access to your Account (by giving them your Debit Card) and they conduct transactions without your knowledge or permission, you are responsible for any resulting use. These transactions are not covered under any protection programs by PayPal or us.

In addition, "Other Errors" occur when money is either incorrectly taken from your Account or incorrectly placed into your Account, or when transactions are incorrectly recorded in your Account. Other Errors that are covered by us are limited to the following events: if you send a payment and it is incorrectly debited from your Account; if an incorrect amount is credited to your Account; if a transaction is missing from or not properly identified in your Account statement; if you receive an incorrect amount of money at an ATM; and if there is a computational or mathematical error by us.

You may request documentation or information regarding your Card Account or transaction to determine whether an Unauthorized Transaction or Other Error exists by contacting us through the Contact Us link at the bottom of each page of the PayPal website.

11. A new Section 21 is being added which states:
- 21. Telephone Monitoring/Recording.** From time to time we may monitor and/or record telephone calls between you and us to assure the quality of our customer service or as required by applicable law.
12. A new Section 22 is being added which states:
- 22. No Warranty Regarding Goods or Services as Applicable.** We are not responsible for the quality, safety, legality, or any other aspect of any goods or services you purchase with your Card.
13. A new Section 23 is being added which states:
- 23. Arbitration.** Any claim, dispute, or controversy ("Claim") arising out of or relating in any way to: i) this Agreement; ii) your Card; iii) the Cards of any additional cardholders designated by you; iv) your purchase of the Card; v) your usage of the Card; vi) the amount of available funds in the Card accounts; vii) advertisements, promotions or oral or written statements related to the Cards, as well as goods or services purchased with the card; viii) the benefits and services related to the Cards; or ix) transaction on the Card, no matter how described, pleaded or styled, shall be **FINALLY** and **EXCLUSIVELY** resolved by binding individual arbitration conducted by the American Arbitration Association ("AAA") under its Consumer Arbitration Rules. If Section 23 and Section 14 (Disputes with PayPal) of the PayPal User Agreement are in conflict in any way, this Section 23 will control with respect to any Claim. Specifically, you agree that this Section 23 applies to all Claims described above instead of and in replacement to Section 14.2 (Arbitration), Section 14.3 (Law and Forum for Disputes) and Section 14.4 (Improperly Filed Litigation) of the PayPal User Agreement. This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by the Federal Arbitration Act (9 U.S.C. 1-16).

**We will pay the initial filing fee to commence arbitration and any arbitration hearing that you attend shall take place in the federal judicial district of your residence.**

**ARBITRATION OF YOUR CLAIM IS MANDATORY AND BINDING. NEITHER PARTY WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM THROUGH A COURT. IN ARBITRATION, NEITHER PARTY WILL HAVE THE RIGHT TO A JURY TRIAL OR TO ENGAGE IN DISCOVERY, EXCEPT AS PROVIDED FOR IN THE AAA CODE OF PROCEDURE.**

For a copy of the procedures, to file a Claim or for other information about these organizations, contact them as follows: AAA, at 335 Madison Avenue, New York, NY 10017 or at [www.adr.org](http://www.adr.org).

All determinations as to the scope, interpretation, enforceability and validity of this Agreement shall be made final exclusively by the arbitrator, which award shall be binding and final. Judgment on the arbitration award may be entered in any court having jurisdiction.

**NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE**

This arbitration provision shall survive: i) the termination of the Agreement; ii) the bankruptcy of any party; iii) any transfer, sale or assignment of your Card, or any amounts owed on your Card, to any other person or entity; or iv) expiration of the Card. If any portion of this arbitration provision is deemed invalid or unenforceable, the remaining portions shall remain in force.

**IF YOU DO NOT AGREE TO THE TERMS OF THIS ARBITRATION AGREEMENT, DO NOT ACTIVATE OR USE THE CARD, OR IF IT HAS ALREADY BEEN ACTIVATED, CANCEL IT. YOU MAY CANCEL YOUR CARD BY CALLING CUSTOMER SERVICE AT 866-888-6080.**

## Amendment to the PayPal User Agreement and Privacy Policy

Effective Date: Nov 01, 2012



### • Amendment to the PayPal User Agreement

This update to the User Agreement effective November 1, 2012 contains changes that affect how claims you and PayPal have against each other are resolved (see Disputes with PayPal below). You will, with limited exception, be required to submit claims you have against PayPal to binding and final arbitration, unless you opt out of the Agreement to Arbitrate (Section 14.3) by December 1, 2012. Unless you opt out: (1) you will only be permitted to pursue claims against PayPal on an individual basis, not as a plaintiff or class member in any class or representative action or proceeding and (2) you will only be permitted to seek relief (including monetary, injunctive, and declaratory relief) on an individual basis. See Disputes with PayPal below for more information.

### • Electronic Communications Delivery Policy.

The User Agreement is being amended to include the text of the Electronic Communications Delivery Policy into its terms instead of incorporating it by reference. The Electronic Communications Delivery Policy can also be accessed at: [https://cms.paypal.com/us/cgi-bin/?cmd=\\_render-content&content\\_ID=ua/UserAgreement\\_full](https://cms.paypal.com/us/cgi-bin/?cmd=_render-content&content_ID=ua/UserAgreement_full). This policy describes how we communicate with you electronically, provides additional detail about the Communications we provide to you, and sets out the hardware and software you need to receive these Communications.

### • Calls to You; Mobile Telephone Numbers. Section 1.10 is being updated to state:

By providing PayPal a telephone number (including a mobile telephone number), you agree to receive autodialed and prerecorded message calls at that number. The ways in which you provide us a telephone number include, but are not limited to, providing a telephone number at Account opening, adding a telephone number to your Account at a later time, providing it to one of our employees, or by contacting us from that phone number. If a telephone number provided to us is a mobile telephone number, you consent to receive SMS or text messages at that number. We won't share your phone number with non-affiliated third parties for their purposes without your consent, but may share your phone numbers with our Family of Companies or with our service providers, such as billing or collections companies, who may contact you using autodialed or prerecorded message calls or text messages. Standard telephone minute and text charges may apply if we contact you.

"Family of Companies" is defined as companies that are direct or indirect subsidiaries of PayPal, Inc. or eBay Inc. or are otherwise related to PayPal through common ownership or control.

### • Recording Calls.

A new Section 1.11 (Recording Calls) is being added which states:

You understand and agree that PayPal may, without further notice or warning and in our discretion, monitor or record telephone conversations you or anyone acting on your behalf has with PayPal or its agents for quality control and training purposes or for its own protection. You acknowledge and understand that, while your communications with PayPal may be overheard, monitored, or recorded without further notice or warning, not all telephone lines or calls may be recorded by PayPal, and PayPal does not guarantee that recordings of any particular telephone calls will be retained or retrievable.

### • PayPal Balances not insured by the FDIC.

In order to treat assets as qualifying investments under State money transmitter laws, PayPal must hold those assets directly as beneficial owner of the asset, and not as a custodian or agent. As a result, we are revising Section 5.1 (Balances) to clarify that, if you carry a Balance in your Account, the funds underlying those Balances will be held by PayPal, and this Balance is not insured by the FDIC. PayPal will continue to hold your Balances separate from its corporate funds. As before this policy update, you do not need to hold any Balance in order to make a payment through PayPal, and if you do hold a Balance you will have the same withdrawal options.

### • Set Off of Negative Balances.

Section 5.3 (Negative Balances and Multiple Currencies) is being amended to state that if you open more than one Account, PayPal may set off the negative Balance in one Account by using any Balance that you maintain in your other Account(s).

- **Addition of Russian Ruble Fees.**

Due to the addition of the Russian Ruble as a transacting currency for Users, the following fees are being added to the sections specified below:

Section	Fee
8.4(c), Fixed Fee for Domestic Payments in a Foreign Currency and International Payments	10 RUB
8.5(c), Fixed Fee for International Micropayments	2 RUB
8.7(a), Domestic Mass Payment Fee Cap	240 RUB
8.7(b), International Mass Payment Fee Cap	1,400 RUB
8.8, Chargeback Fee	640 RUB

\*Subject to the commencement of PayPal's Russian Ruble service.

- **Currency Conversion.**

Section 8.8 (Additional Fees) is being amended to state that when your payment is funded by a debit or credit card and requires a currency conversion, you consent to and authorize PayPal to convert the currency in place of your debit or credit card issuer.

- **Restricted Activities.**

Section 9.1 is being amended to enumerate the following Restricted Activities:

1. Circumventing any PayPal policy or determinations about your Account such as temporary or indefinite suspensions or other Account holds, limitations or restrictions, including, but not limited to, engaging in the following actions: attempting to create new or additional PayPal Account(s) when an Account has a negative balance or has been restricted, suspended or otherwise limited; creating new or additional PayPal Accounts using information that is not your own (e.g. name, address, email address, etc.); or using someone else's PayPal Account;
2. Harassing our employees, agents, or other users

- **Actions by PayPal - Court Orders or Other Legal Process**

A new Section 10.4 (Actions by PayPal - Court Orders or Other Legal Process) is being added which states:

PayPal, in its sole discretion, may take various actions including placing a hold, Reserve, or other limitation on your Account or the funds in it and/or releasing any or all of your funds in the event it receives notice of a court order or other legal process that restricts the use of or access to your funds or requires their release. PayPal will give notice of a hold, Reserve, or limitation it makes to comply with a court order or other legal process, unless the court order or other process directs that PayPal not provide you notice, in which case the court order or other process supersedes any notice obligation PayPal has undertaken or agreed to under the terms of this Agreement. PayPal has no obligation to contest or appeal from any such order or process. Holds, Reserves, or limitations on your account that are placed in response to a court order or other legal process may be maintained longer than 180 Days. PayPal will decide in its sole discretion the appropriate scope of a hold, Reserve, and/or limitation to assure compliance with a court order or other legal process.

Additionally, in the event PayPal receives notice of a garnishment or equivalent legal process directing the restraint of funds in your Account or directing payment of funds from your Account to the court or another third party, PayPal may limit your Account and hold the funds in it for up to 180 days, and may disburse funds from your Account, as needed, for the purpose of resolving any Dispute, Claim, Chargeback, or Reversal.

- **Protection for Unauthorized Transactions and Other Errors.**

Section 12.1 is being amended to clarify that Unauthorized Transactions and Other Errors do not include Disputes, Claims, Chargebacks, and Reversals. In addition, you agree that PayPal is authorized to handle Disputes, Claims, Chargebacks, and Reversals as set forth in the User Agreement, and that no determination made by PayPal or a card issuer with respect to a Dispute, Claim, Chargeback or Reversal will be considered an Unauthorized Transaction or Other Error. Routine inquiries about your Account balance or the status of a pending transfer into or out of your Account are not considered Unauthorized Transactions or Other Errors unless you expressly notify us of an Unauthorized Transaction or Other Error in connection with the transfer. Requests for information for tax or other recordkeeping purposes and requests for duplicate documentation also are not deemed to be Unauthorized Transactions or Other Errors.

- **No Double Recovery.**

Under Section 13.8, you may not file a Dispute/Claim or receive recovery for a purchase under PayPal Purchase Protection if you have already received a recovery for that purchase directly from eBay or the Seller. Section 13.8 is being amended to add that you are also not able to file a Dispute/Claim or receive recovery under PayPal Purchase Protection if you have already received a recovery from another third party, or if you have already filed a case for that purchase with eBay, the seller, or another third party.

- **Disputes with PayPal.**

Section 14 is being amended to update the provisions governing how disputes between you and PayPal are resolved. With limited exception, this section requires you and PayPal to submit claims to binding and final arbitration, unless you opt out of the Agreement to Arbitrate by December 1, 2012. The amended Section 14

states:

**You and PayPal agree that any claim or dispute at law or equity that has arisen or may arise between us will be resolved in accordance with the provisions set forth in this Section (Section 14: Disputes with PayPal). Please read this Section carefully. It affects your rights and will impact how claims you and we have against each other are resolved.**

#### **14.1 Contact PayPal First**

. If a dispute arises between you and PayPal, our goal is to learn about and address your concerns and, if we are unable to do so to your satisfaction, to provide you with a neutral and cost effective means of resolving the dispute quickly. Disputes between you and PayPal regarding the PayPal Services may be reported to Customer Service online through the PayPal Help Center at any time, or by calling (402) 935-2050 from 6 AM to midnight, Central Time.

**14.2 Applicable Law.** You agree that the laws of the State of Delaware, without regard to principles of conflict of laws, will govern this User Agreement and any claim or dispute that has arisen or may arise between you and PayPal, except as otherwise stated in this User Agreement.

**14.3 Agreement to Arbitrate.** You and PayPal each agree that any and all disputes or claims that have arisen or may arise between you and PayPal shall be resolved exclusively through final and binding arbitration, rather than in court, except that you may assert claims in small claims court, if your claims qualify. The Federal Arbitration Act governs the interpretation and enforcement of this Agreement to Arbitrate.

##### **a. Prohibition of Class and Representative Actions and Non-Individualized Relief.**

**YOU AND PAYPAL AGREE THAT EACH OF US MAY BRING CLAIMS AGAINST THE OTHER ONLY ON AN INDIVIDUAL BASIS AND NOT AS A PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE ACTION OR PROCEEDING. UNLESS BOTH YOU AND PAYPAL AGREE OTHERWISE, THE ARBITRATOR MAY NOT CONSOLIDATE OR JOIN MORE THAN ONE PERSON'S OR PARTY'S CLAIMS AND MAY NOT OTHERWISE PRESIDE OVER ANY FORM OF A CONSOLIDATED, REPRESENTATIVE, OR CLASS PROCEEDING. ALSO, THE ARBITRATOR MAY AWARD RELIEF (INCLUDING MONETARY, INJUNCTIVE, AND DECLARATORY RELIEF) ONLY IN FAVOR OF THE INDIVIDUAL PARTY SEEKING RELIEF AND ONLY TO THE EXTENT NECESSARY TO PROVIDE RELIEF NECESSITATED BY THAT PARTY'S INDIVIDUAL CLAIM(S). ANY RELIEF AWARDED CANNOT AFFECT OTHER PAYPAL USERS.**

##### **b. Arbitration Procedures.**

Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury, and court review of an arbitration award is very limited. However, an arbitrator can award the same damages and relief on an individual basis that a court can award to an individual. An arbitrator also must follow the terms of this User Agreement as a court would.

The arbitration will be conducted by the American Arbitration Association ("AAA") under its rules and procedures, including the AAA's Supplementary Procedures for Consumer-Related Disputes (as applicable), as modified by this Agreement to Arbitrate. The AAA's rules are available at [www.adr.org](http://www.adr.org). A form for initiating arbitration proceedings is available on the AAA's website at <http://www.adr.org>.

The arbitration shall be held in the county in which you reside or at another mutually agreed location. If the value of the relief sought is \$10,000 or less, you or PayPal may elect to have the arbitration conducted by telephone or based solely on written submissions, which election shall be binding on you and PayPal subject to the arbitrator's discretion to require an in-person hearing, if the circumstances warrant. Attendance at an in-person hearing may be made by telephone by you and/or PayPal, unless the arbitrator requires otherwise.

The arbitrator will decide the substance of all claims in accordance with the laws of the State of Delaware, including recognized principles of equity, and will honor all claims of privilege recognized by law. The arbitrator shall not be bound by rulings in prior arbitrations involving different PayPal users, but is bound by rulings in prior arbitrations involving the same PayPal user to the extent required by applicable law. The arbitrator's award shall be final and binding, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

##### **c. Costs of Arbitration.**

Payment of all filing, administration, and arbitrator fees will be governed by the AAA's rules, unless otherwise stated in this Agreement to Arbitrate. If the value of the relief sought is \$10,000 or less, at your request, PayPal will pay all filing, administration, and arbitrator fees associated with the arbitration. Any request for payment of fees by PayPal should be submitted by mail to the AAA along with your Demand for Arbitration and PayPal will make arrangements to pay all necessary fees directly to the AAA. If the value of the relief sought is more than \$10,000 and you are able to demonstrate that the costs of arbitration will be prohibitive as compared to the costs of litigation, PayPal will pay as much of the filing, administration, and arbitrator fees as the arbitrator deems necessary to prevent the arbitration from being cost-prohibitive. In the event the arbitrator determines the claim(s) you assert in the arbitration to be frivolous, you agree to reimburse PayPal for all fees associated with the arbitration paid by PayPal on your behalf that you otherwise would be obligated to pay under the AAA's rules.

##### **d. Severability.**

With the exception of any of the provisions in subsection (a) of this Agreement to Arbitrate ("Prohibition of Class and Representative Actions and Non-Individualized Relief"), if a court decides that any part of this Agreement to Arbitrate is invalid or unenforceable, the other parts of this Agreement to Arbitrate shall still apply. If a court decides that any of the provisions in subsection (a) of this Agreement to Arbitrate ("Prohibition of Class and Representative Actions and Non-Individualized Relief") is invalid or unenforceable, then the entirety of this Agreement to Arbitrate shall be null and void. The remainder of the User Agreement, including all other provisions of Section 14 (Disputes with PayPal), will continue to apply.

##### **e. Opt-Out Procedure.**

You can choose to reject this Agreement to Arbitrate ("opt out") by mailing us a written opt-out notice ("Opt-Out Notice"). For new PayPal users, the Opt-Out Notice must be postmarked no later than 30 Days after the date you accept the User Agreement for the first time. If you are already a current PayPal

user and previously accepted the User Agreement prior to the introduction of this Agreement to Arbitrate, the Opt-Out Notice must be postmarked no later than December 1, 2012. You must mail the Opt-Out Notice to PayPal, Inc., Attn: Litigation Department, 2211 North First Street, San Jose, CA95131.

The Opt-Out Notice must state that you do not agree to this Agreement to Arbitrate and must include your name, address, phone number, and the email address(es) used to log in to the PayPal account(s) to which the opt-out applies. You must sign the Opt-Out Notice for it to be effective. This procedure is the only way you can opt out of the Agreement to Arbitrate. If you opt out of the Agreement to Arbitrate, all other parts of the User Agreement, including all other provisions of Section 14 (Disputes with PayPal), will continue to apply. Opting out of this Agreement to Arbitrate has no effect on any previous, other, or future arbitration agreements that you may have with us.

**f. Future Changes to the Agreement to Arbitrate.**

Notwithstanding any provision in the User Agreement to the contrary, you and we agree that if we make any change to this Agreement to Arbitrate (other than a change to any notice address or website link provided herein) in the future, that change shall not apply to any claim that was filed in a legal proceeding against PayPal prior to the effective date of the change. Moreover, if we seek to terminate the Agreement to Arbitrate as included in the User Agreement, any such termination shall not be effective until 30 days after the version of the User Agreement not containing the Agreement to Arbitrate is posted to <http://www.paypal.com>, and shall not be effective as to any claim that was filed in a legal proceeding against PayPal prior to the effective date of termination.

• **Release of PayPal.**

Section 14.8 is being amended to state:

If you have a dispute with one or more Users, you release PayPal (and our parent, our affiliates, and our and their respective officers, directors, agents, joint ventures, employees and suppliers) from any and all Claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, arising out of or in any way connected with such disputes. In entering into this release you expressly waive any protections (whether statutory or otherwise – e.g., California Civil Code § 1542) that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release.

• **Reporting complaints to State Agencies.**

Section 14.9 (State Agencies) is being updated to state that if you are a California resident, you may report complaints to the California Department of Financial Institutions at its toll-free telephone number, 1-800-622-0620, by e-mail at [consumer.complaint@dfi.ca.gov](mailto:consumer.complaint@dfi.ca.gov), or by mail at Department of Financial Institutions, Consumer Services, 1810 13th Street, Sacramento, CA95811.

• **Indemnification, Release of PayPal, Limitations of Liability and Warranty Disclaimer.**

These sections (formerly Sections 14.7, 14.9, 15.1, and 15.2) have been amended to include PayPal's Affiliates, which are companies that are direct or indirect subsidiaries of PayPal, Inc. or eBay Inc. or are otherwise related to PayPal through common ownership or control, and their and PayPal's parent's respective officers, directors, agents, joint ventures, employees and suppliers as covered parties under those sections.

• **Limitations of Liability.**

Section 15.1 is being amended to add that in addition to the limitations already stated under that provision, to the extent permitted by applicable law, PayPal is not liable, and you agree not to hold PayPal responsible for any damages or losses (including, but not limited to, loss of money, goodwill, or reputation, profits, or other intangible losses or any special, indirect, or consequential damages) resulting directly or indirectly from: (1) Your use of or your inability to use PayPal's sites and services; (2) delays or disruptions in PayPal's sites and services; (3) viruses or other malicious software obtained by accessing PayPal's sites or services or any site or service linked to PayPal's sites or services; (4) glitches, bugs, errors, or inaccuracies of any kind in PayPal's sites or services or in the information and graphics obtained from them; (5) the content, actions, or inactions of third parties; (6) a suspension or other action taken with respect to your Account; (7) your need to modify practices, content, or behavior, or your loss of or inability to do business, as a result of changes to this User Agreement or PayPal's policies.

• **Discontinuation of APIs.**

Section 15.4 (License Grant) is being amended to state that PayPal may change or discontinue any APIs upon notice to you.

• **Amendment to the PayPal Privacy Policy.**

We are making changes to the PayPal Privacy Policy make the Policy more clear, better reflect our use of information and to align with new PayPal Services such as PayPal Access and the updated PayPal website. Some of the key changes to the Privacy Policy are highlighted below, however, we recommend you review the updated Policy in its entirety to ensure you are familiar with any other changes we have made. The amended Privacy Policy is effective November 1, 2012 for existing users and effective upon acceptance for new users.

The sections added or most substantively changed were:

**Your Privacy Rights.** We created an introductory paragraph, titled Your Privacy Rights, to ensure that you know the purpose of the privacy policy is to discuss our commitment to you on how we use your information. We also have provided you an additional method of contacting us to retrieve more information via our [www.ebayprivacycenter.com](http://www.ebayprivacycenter.com) website. As we discuss in our policy, our long standing core privacy principle is that we do not share your information with third parties for their marketing purposes without your consent. How we use information. In this section, we clarified our ability to contact you via telephone and mobile phone with automated telephone systems and text messaging to help us be more efficient in contacting you

and to leverage technology for your experience.

**How we share personal information with other parties.** In this section, we changed our law enforcement notification section to include investigations in our eBay corporate family. In addition, we have clarified that we will work with law enforcement, government officials and third parties during investigation, legal, and risk scenarios when we think it will better protect you, our PayPal community.

**Using PayPal Access.** We added a new section to the policy discussing PayPal Access, our new product, which enables you to log into external website sites using your PayPal User ID and access credentials. PayPal Access asks you before sharing information with external websites and hopes to improve your web surfing experience across the Internet

## Amendment to the PayPal Website Payments Pro and Virtual Terminal Agreement, and the Payflow Gateway Services Agreement

Effective Date: Jul 10, 2012

 [Print](#)

### • Amendment to the PayPal Website Payments Pro and Virtual Terminal Agreement

1. Refunds for American Express Direct Payments and Virtual Terminal Payments. Section 2(d) (Additional Fees) is being amended to add that for refunds of Direct Payments or Virtual Terminal Payments where an American Express Card is used, the Transaction Fee will be deducted from your Account at the time of the refund. The disclosures in the fee table will now read::

Activity	Fee
<p><u>Refunds</u></p> <p>For all refunds, except refunds of Direct Payments or Virtual Terminal Payments where the buyer used an American Express Card, the Fixed Fee portion of the Transaction Fee will be deducted from your Account at the time of the refund, in addition to the full payment amount that is refunded to the buyer.</p>	<p><b>Fixed Fee portion of the original Transaction Fee.</b></p> <p>(The Fixed Fee will depend on the currency of the payment, so if the payment was made in USD then the refund fee is \$0.30.)</p>
<p>For refunds of Direct Payments or Virtual Terminal Payments where the customer used an American Express Card, the Transaction Fee will be deducted from your Account at the time of the refund, in addition to the full payment amount that is refunded to the buyer.</p>	<p><b>Transaction Fee applied to the original transaction.</b></p>

2. **PayPal Payments Advanced requirement to offer Bill Me Later.** Section 8 (Requirement to Use Express Checkout, Bill Me Later) is being amended to add that PayPal Payments Advanced users are required to offer Bill Me Later as a payment option as automatically enabled in PayPal Payments Advanced. Section 2(b) (Fees) is amended to add the Bill Me Later Transaction Fees which are the Purchase Payment Fees set out in the User Agreement.
3. **PayPal Payments Advanced standard services.** PayPal Payments Advanced will no longer include Virtual Terminal as a standard service. The definition of Payments Advanced in Section 17 (Definitions) is being amended to reflect this change. If Virtual Terminal is included in your current PayPal Payments Advanced service, it will not be removed and your use of Virtual Terminal will not be affected.

### • Amendment to the Payflow Gateway Services Agreement

1. Required use of PayPal Services. A new Section 5 (Required use of PayPal Services) has been added to include the requirement for Payflow Link merchants to offer PayPal Express Checkout and Bill Me Later on their hosted checkout pages. Fees for accepting payments via these services are set out as Purchase Payment Fees in the PayPal User Agreement. Merchants who do not want to offer Express Checkout and Bill Me Later can upgrade to the Payflow Pro level of service to disable these payment methods (additional fees apply for Payflow Pro).

## Amendment to the Merchant Referral Bonus Policy

Effective Date: May 24, 2012

 [Print](#)

### • Amendment to the Merchant Referral Bonus Policy

Effective through the calendar year 2012, The Merchant Referral Bonus Program (“the Bonus”) will be discontinued for all account holders and the Merchant Referral Bonus Policy will no longer be in effect. Active account holders will receive an email from PayPal indicating an end date specific to their current participation in the Bonus program. You will receive this email at least 30 days in advance of the end date. Once your end date is in effect, new referrals will no longer be tracked or accumulate toward this bonus program. In addition, bonus accrual payments will be stopped. Any final accrued bonus balances from your referrals will be paid to your PayPal account in accordance with the standard 30 day payout cycle. Your PayPal account is not impacted in any way with the discontinuation of this program. For further assistance, contact us via the [Contact Us](#) form.

## Amendment to the PayPal User Agreement

Effective Date: Apr 01, 2012

 [Print](#)

- **Amendment to the PayPal User Agreement**

Effective Date: April 1, 2012

- Section 2.3 of the User Agreement (Identity Authentication) is being amended because we are making changes to our customer identification program as a result of changes in the law. Section 2.3 will now read:

**2.3 Identity Authentication.** You authorize PayPal, directly or through third parties, to make any inquiries we consider necessary to validate your identity. This may include asking you for further information, requiring you to provide your date of birth, a taxpayer identification number and other information that will allow us to reasonably identify you, requiring you to take steps to confirm ownership of your email address or financial instruments, ordering a credit report, or verifying your Information against third party databases or through other sources. We may also ask to see your driver's license or other identifying documents at anytime. If you use certain PayPal Services federal law requires that PayPal verify some of your Information. PayPal reserves the right to close, suspend, or limit access to your Account and/or the PayPal Services in the event we are unable to obtain or verify this Information.

- Section 4.12 of the User Agreement (Micropayments for Digital Goods) is being updated to increase the maximum amount received in Taiwan New Dollars (TWD) that may be subject to a reversal without requiring a Dispute escalation from 10.00 TWD to 249.00 TWD.

- **Amendment to the PayPal Privacy Policy**

Effective Date: April 1, 2012

We have made amendments to the PayPal Privacy Policy to reflect the way PayPal collects, stores and processes your personal information. A few of the changes to the Privacy Policy are highlighted below, however, we recommend you review the updated Policy in its entirety. The amended Privacy Policy is effective April 1, 2012 for existing users and effective upon acceptance for new users.

**How we collect information about you.** We have amended this section to address how PayPal collects data from your computer, mobile phone or other access device. We may also collect information about your use and interaction with our website, application or the PayPal Services.

**How we use cookies.** We have amended this section to reflect our use of session and persistent cookies, Local Shared Objects (commonly referred to as "Flash Cookies") and the use of pixel tags. The help section of most browsers or browser add-ons provides instruction on blocking, deleting or disabling cookies.

**Marketing.** We have amended this section to address opting-out of notifications via our application and SMS messages.

**How you can access or change your personal information.** We have amended this section to include information regarding our account closure process.

**How you can contact us about privacy questions.** We have amended our disclosure of PayPal's recognition as a TRUSTe Privacy Seal holder to comply with TRUSTe's Website Privacy Certification program requirements.

### Amendment to the PayPal User Agreement

Effective Date: Jan 24, 2012

 [Print](#)

- **Amendment to the PayPal User Agreement**

**Fee cap for Users who send Mass Payments.** If you send Mass Payments, your fees are set out in Section 8 (Fees). Currently, your Mass Payment fees are 2% of each recipient's payment amount up to a maximum of \$1.00 USD per recipient, or the foreign currency equivalent of \$1.00 USD as set out in Section 8. After the effective date listed above, if you send Mass Payments within the U.S., your fees will remain the same. However, if you send Mass Payments outside the U.S., your fees will be 2% of each recipient's payment amount up to a maximum of \$20.00 USD per recipient, or the foreign currency equivalent of \$20.00 USD as set out below.

Currency	Mass Payment Fee (sending outside the U.S.)
Australian Dollar:	\$24.00 AUD
Brazilian Real:	40.00 BRL
Canadian Dollar:	\$24.00 CAD
Czech Koruna:	400.00 CZK
Danish Krone:	120.00 DKK
Euro:	€16.00 EUR
Hong Kong Dollar:	\$160.00 HKD
Hungarian Forint:	6000 HUF
Israeli Shekel:	80.00 ILS
Japanese Yen:	¥2,000 JPY
Mexican Peso:	\$300.00 MXN

New Zealand Dollar:	\$30.00 NZD
Norwegian Krone:	120.00 NOK
Philippine Peso:	1,000.00 PHP
Polish Zlotych:	60.00 PLN
Singapore Dollar:	\$32.00 SGD
Swedish Krona:	160.00 SEK
Swiss Franc:	20.00 CHF
Taiwan New Dollar:	800.00 TWD
Thai Baht:	800.00 THB
U.K. Pounds Sterling:	£14.00 GBP
U.S. Dollars:	\$20.00 USD

### Amendment to the PayPal Acceptable Use Policy

Effective Date: Oct 24, 2011



- **Amendment to the PayPal Acceptable Use Policy**

Beginning October 24, 2011, the PayPal Acceptable Use Policy is being amended in Section 2 to replace sales with transactions, include stolen goods (including digital and virtual goods) and in Section 3(i) to add certain credit transactions or insurance activities.

### Amendment to the PayPal User Agreement

Effective Date: Jul 29, 2011



- **Amendment to the PayPal User Agreement**

**Money Market Fund.** Section 5.3 (Money Market Fund), and all references to the Money Market Fund in the User Agreement (including the definition of "Money Market Fund" and the references to the Money Market Fund in the definition of "Pooled Accounts" in Section 16 (Definitions) and in Section 5.1 (Balances)) will be removed. Beginning at the end of June 2011 no new enrollments in the Money Market Fund will be accepted. Beginning at the end of July 2011 each PayPal User enrolled in the Money Market Fund will no longer be enrolled and their Balance will not be used to purchase shares of the Money Market Fund.

### Amendment to the PayPal User Agreement

Effective Date: Jul 12, 2011



- **Amendment to the PayPal User Agreement**

**Purchase Payment Fee cap for Sellers who receive eCheck payments.** If you are a Seller, your Purchase Payment Fees are set out in Section 8 (Fees). Currently, your Purchase Payment Fee for eCheck-funded payments is capped at a maximum of \$5.00. After the effective date listed above, this \$5.00 cap will no longer be applied. Your Fee for receiving eCheck-funded payments will continue to be calculated according to the rates set out in Section 8.

### Amendment to the PayPal User Agreement

Effective Date: May 24, 2011



- **Amendment to the PayPal User Agreement**

**Password Security and Keeping Your Email and Address Current.** The following subsection has been added to Section 1 (Our Relationship With You): "You are responsible for maintaining adequate security and control of any and all IDs, passwords, personal identification numbers (PINs), or any other codes that you use to access the PayPal Services. You are also responsible for keeping your mailing address and email address up to date in your Account Profile."

**Mobile Telephone Numbers.** Section 1 (Our Relationship with You) has been amended to state that if a User lists their mobile telephone number in their Profile they are consenting to receive text messages about their use of the PayPal Services from PayPal at that mobile telephone number.

**Card Not Present.** The following subsection has been added to Section 4 (Receiving Money): "All payments processed via PayPal are processed as card not present transactions. Card not present transactions are subject to different Chargeback rights than card present transactions under the card association rules. This means that Sellers accepting PayPal payments at a physical point of sale may be subject to Chargeback claims that they otherwise would not be subject to for a card present transaction."

**Notices to You.** We have modified our disclosures about the notices we send to you in Section 1, which we will now provide to you in a separate disclosure called "Electronic Communications Delivery Policy" which can be accessed by clicking on the Legal Agreements link at the bottom of the PayPal website. This policy describes how we communicate with you electronically, provides additional detail about the Communications we provide to you, and sets out the hardware and software you need to receive these Communications.

**Actions by PayPal - Holds.** We have updated our disclosures in Section 10 relating to your liability and the actions we may take. A User's rights, responsibilities and liability under this section have not changed except for the addition of your acknowledgment that our decision to take certain actions such as holds and reserves is based on confidential criteria, and your agreement that we have no obligation to disclose the details of our risk management or security procedures.

**Protection from Unauthorized Transactions.** We have added clarification in Section 12 that if you give someone access to your Account by giving them your login information and they conduct transactions without your knowledge or permission, you are responsible for any resulting use. Your protection from any unauthorized transactions conducted by someone who has stolen your login information has not changed.

**Indemnification, Limitations of Liability and Warranty Disclaimer.** Covered parties under the indemnity from you in Section 14.7, our limitations of liability in Section 15.1, and those providing no warranty in Section 15.2 are now uniform—namely PayPal, our parent, and the officers, directors, agents, joint venturers, employees and suppliers of PayPal and its Parent.

## Amendment to the PayPal User Agreement

Effective Date: Nov 01, 2010

 [Print](#)

### • Amendment to the PayPal User Agreement

#### Protection for Buyers.

Section 13 (Protection for Buyers) has been amended to reflect changes in PayPal's protection for buyers. PayPal Buyer Protection covers eligible buyers for eligible items they purchase from sellers on eBay and, now, off the eBay website if they are not received - "Item Not Received" - or are "Significantly Not as Described."

The same eligibility requirements apply to buyer's payments under the expanded PayPal Buyer Protection except that in addition to the existing requirements a buyer can additionally send the payment to the seller by clicking the "Purchase" tab, or by selecting the "Checkout with PayPal" button or otherwise selecting PayPal as part of a Seller's PayPal checkout flow in order to be eligible.

PayPal Buyer Protection only applies to PayPal payments for certain tangible, physical goods. Payments for the following items are not eligible for reimbursement under PayPal Buyer Protection:

1. Intangible items, including Digital Goods
2. Services
3. Real estate, including residential property
4. Businesses
5. Vehicles, including motor vehicles, motorcycles, caravans, aircraft and boats
6. Custom made items
7. Travel tickets, including airline flight tickets
8. Items prohibited by the PayPal Acceptable Use Policy
9. Items which you collect in person, or arrange to be collected on your behalf
10. Items that violate eBay's Prohibited or Restricted Items Policy
11. Industrial machinery used in manufacturing
12. Items equivalent to cash, including prepaid or gift cards
13. PayPal Direct Payments
14. Virtual Terminal Payments
15. Personal Payments

For items purchased on eBay, if either a PayPal or eBay buyer protection message is included in the eBay listing and a buyer meets the eligibility requirements, then their purchase is covered by PayPal Buyer Protection. If the listing does not include the buyer protection message, then it will not be eligible for PayPal Buyer Protection.

Coverage of a buyer's Claims when PayPal finds in their favor for eligible payments will be the same – PayPal will reimburse the buyer for the full purchase price of the item and original shipping costs – with no cap on coverage.

As a result of these changes, the PayPal Buyer Complaint policy has been superseded by the expansion of PayPal Buyer Protection and therefore has been deleted.

**Mobile Telephone Numbers.** Section 1 (Our Relationship with You) has been amended to state that if we determine that a telephone number you have provided to us is a mobile telephone number, we may categorize it as such in our systems and in your Profile.

**Fees.** The international personal payment fee for payments sent to users in Brazil has been changed to 1% when the payment method is exclusively Balance or Bank, and 7.4% plus a fixed fee depending on currency of the payment when another payment method is used to fund the payment. The fixed fee portion of the fee for international payments sent in Brazilian Real has been changed to 0.60 BRL.

## Amendment to the PayPal User Agreement

Effective Date: Sep 22, 2010

 [Print](#)

- **Amendment to the PayPal User Agreement**

**Third Party Permissions.** A new subsection has been added to Section 2 (Accounts) that relates to permissions you grant to third parties. It describes how to set third party permissions for your Account, and explains that if you grant a third party permission to take actions on your behalf you allow PayPal to disclose certain information about your account to this third party. It also states that you agree that you will not hold PayPal responsible for, and will indemnify PayPal from any liability arising from the actions or inactions of a third party in connection with the permissions you grant.

**PayPal Business Payments.** A new payment option will be offered for payments between Users in the United States made through certain third parties' products or services where the sender must fund their payment exclusively using either (or both) their Balance or eCheck and for which a new fee, the PayPal Business Payment fee, will apply.

Section 3.4 (Payment Method Limitations) has been updated to note that your Payment Methods will be limited to Balance or eCheck for PayPal Business Payments.

A new section was added to Section 4 (Receiving Money) to state that if you offer PayPal Business Payments in a payment flow, you shall not offer any other PayPal-branded payment option in the same flow.

Section 8 (Fees) has been updated to add the transaction fee applied to each PayPal Business Payment:

Activity	PayPal Business Payment Fee
Sending or receiving*	\$0.50 USD per transaction
* The PayPal Business Payment fee is paid by the recipient unless it is disclosed to you before you send the payment that you, the sender, must pay this fee.	

Section 11.5 (Items/transactions not eligible for Seller protection) has been updated to add PayPal Business Payments to the list of transactions that are not eligible for seller protection.

**Accuracy of Information.** A new section has been added to Section 3 (Sending Money) to remind you that you are responsible for confirming the accuracy of the information you provide about each payment you send, including the email address or telephone number of the recipient, and amount of the transaction.

**Taxes.** The following acknowledgement has been added to Section 4.7 (Taxes): You acknowledge that in starting in 2011, PayPal will report to the Internal Revenue Service the total amount of the payments you receive each calendar year into all the Accounts you own if you (i) receive more than \$20,000, and (ii) receive more than 200 payments, in that calendar year.

**Personal Payments from Third Party Sites, Products or Services.** Section 8 (Fees) has been updated to reflect that if you send a Personal Payment from a third party website, product or service, then the third party will determine if the sender or recipient of the Personal Payment will pay the Personal Payment fee. Whether the sender or recipient will pay the fee will be disclosed to you by the third party before the Personal Payment is initiated.

**Micropayments for Digital Goods.** Terms and conditions have been added to the Agreement relating to a new PayPal Service, Micropayments for Digital Goods, that, among other things, offers micropayments pricing and integrated website tools to qualifying digital good merchants:

For buyers, if you purchase Digital Goods from qualifying Merchants, we may offer you the option to pay for these goods on a later date, at no additional cost to you ("**Post Payment Option**"). We may offer you this option at our discretion, which we may revoke at any time. The Post Payment Option is only enabled if you have no Balance in your Account. The amounts paid by you using the Post Payment Option will be deducted from your Account on a specific date, no more than 21 days following your initial purchase, or when your Digital Goods purchases using the Post Payment Option reach a certain amount, whichever is earlier. This date and amount will be stated in your transaction details shown under History in the My Account tab in your Account. If you elect to use the Post Payment Option but you subsequently change your preferences (by selecting your Micropayment Preferences through the Profile tab in your Account) to pay for these purchases at the time you make them then for a period of six months you will not be able to change back to the Post Payment Option.

In addition for buyers, if you file a Dispute for a Digital Goods purchase of up to the amount in the table below, we may, at our discretion, reverse the transaction without requiring you to escalate the Dispute to a Claim.

Currency	Amount	Currency	Amount
Australian Dollar:	\$9.99 AUD	New Zealand Dollar:	\$9.99 NZD
Brazilian Real:	7.99 BRL	Norwegian Krone:	29.99 NOK
Canadian Dollar:	\$3.99 CAD	Philippine Peso:	499.99 PHP
Czech Koruna:	99.99 CZK	Polish Zlotych:	19.99 PLN
Danish Krone:	24.99 DKK	Singapore Dollar:	\$9.99 SGD
Euro:	€3.99 EUR	Swedish Krona:	34.99 SEK
Hong Kong Dollar:	\$49.99 HKD	Swiss Franc:	4.99 CHF
Hungarian Forint:	999 HUF	Taiwan New Dollar:	10.00 TWD

Israeli Shekel:	<b>15.99 ILS</b>	Thai Baht:	<b>249.99 THB</b>
Japanese Yen:	<b>¥999 JPY</b>	U.K. Pounds Sterling:	<b>£3.99 GBP</b>
Mexican Peso:	<b>\$39.99 MXN</b>	U.S. Dollar:	<b>\$3.99 USD</b>

PayPal may limit the number of these reversals you benefit from in order to help prevent abuse of this process. If these are limited, you will still be able to file a Dispute and follow PayPal's standard dispute processes described in this Section 13 to attempt to resolve the issue with the Merchant directly.

For merchants, to qualify to receive Micropayments for Digital Goods, you must submit an application, be approved by us, and have an account in good standing. By applying for Micropayments for Digital Goods, you agree that for Digital Goods transactions you receive for up to the amounts in the table below, if a buyer opens a Dispute under the PayPal Buyer Complaint Policy, PayPal may reverse the transaction and remove the funds from your Account without requiring the buyer to escalate the Dispute to a Claim.

Currency	Amount	Currency	Amount
Australian Dollar:	<b>\$9.99 AUD</b>	New Zealand Dollar:	<b>\$9.99 NZD</b>
Brazilian Real:	<b>7.99 BRL</b>	Norwegian Krone:	<b>29.99 NOK</b>
Canadian Dollar:	<b>\$3.99 CAD</b>	Philippine Peso:	<b>499.99 PHP</b>
Czech Koruna:	<b>99.99 CZK</b>	Polish Zlotych:	<b>19.99 PLN</b>
Danish Krone:	<b>24.99 DKK</b>	Singapore Dollar:	<b>\$9.99 SGD</b>
Euro:	<b>€3.99 EUR</b>	Swedish Krona:	<b>34.99 SEK</b>
Hong Kong Dollar:	<b>\$49.99 HKD</b>	Swiss Franc:	<b>4.99 CHF</b>
Hungarian Forint:	<b>999 HUF</b>	Taiwan New Dollar:	<b>10.00 TWD</b>
Israeli Shekel:	<b>15.99 ILS</b>	Thai Baht:	<b>249.99 THB</b>
Japanese Yen:	<b>¥999 JPY</b>	U.K. Pounds Sterling:	<b>£3.99 GBP</b>
Mexican Peso:	<b>\$39.99 MXN</b>	U.S. Dollar:	<b>\$3.99 USD</b>

A buyer will be limited to a maximum of three such reversals per month for Disputes filed with any all Micropayments for Digital Goods Merchants. After reaching this maximum a buyer will be required to follow PayPal's standard dispute resolution process for any additional Disputes they file.

In addition, Section 8 (Fees) has been updated to add the new transaction fees for Micropayments for Digital Goods so that either (i) the standard Purchase Payment fees described in Section 8.2 and 8.4, or (ii) the following Digital Goods Micropayment Pricing fees, which ever rate results in a lower amount being charged to you, will be applied to each transaction:

**Domestic Micropayments for Digital Goods Fees.** The following fees apply when the sender and recipient are both in Canada or one is in Canada and one in the United States, and the payment is in Canadian Dollars:

Activity	Micropayments for Digital Goods Fee
Sending (buying)	<b>Free</b>
Receiving (selling)	5% + \$0.05 USD

**International Micropayments for Digital Goods Fees.** The following fees apply when the payment is between someone in Canada and someone in a country other than Canada or the United States. This fee is based on the country of the recipient:

Activity	Micropayments for Digital Goods Fee
Sending (buying)	<b>Free*</b>
Receiving (selling)	6% + Fixed Fee**

\* Your financial institution may charge fees directly to the card you use to fund a cross-border payment even where no currency conversion is involved.

\*\* See section 8.6(c) below for detailed list of fixed fees for international payments.

#### Fixed Fees

The Fixed Fee that applies to International Micropayments for Digital Goods is based on the currency of the payment:

Currency	Fee	Currency	Fee

Australian Dollar:	<b>\$0.05 AUD</b>	New Zealand Dollar:	<b>\$0.08 NZD</b>
Brazilian Real:	<b>0.10 BRL</b>	Norwegian Krone:	<b>0.47 NOK</b>
Canadian Dollar:	<b>\$0.05 CAD</b>	Philippine Peso:	<b>2.5 PHP</b>
Czech Koruna:	<b>1.67 CZK</b>	Polish Zlotych:	<b>0.23 PLN</b>
Danish Krone:	<b>0.43 DKK</b>	Singapore Dollar:	<b>\$0.08 SGD</b>
Euro:	<b>€0.05 EUR</b>	Swedish Krona:	<b>0.54 SEK</b>
Hong Kong Dollar:	<b>\$0.39 HKD</b>	Swiss Franc:	<b>0.09 CHF</b>
Hungarian Forint:	<b>15 HUF</b>	Taiwan New Dollar:	<b>2.00 TWD</b>
Israeli Shekel:	<b>0.20 ILS</b>	Thai Baht:	<b>1.8 THB</b>
Japanese Yen:	<b>¥7 JPY</b>	U.K. Pounds Sterling:	<b>£0.05 GBP</b>
Mexican Peso:	<b>\$0.55 MXN</b>	U.S. Dollar:	<b>\$0.05 USD</b>

**Restricted Activity.** Section 9.1 (Restricted Activities) has been revised to add a restriction on you integrating the PayPal Services in a manner that is inconsistent with the PayPal integration guidelines.

**PayPal Plug-In.** Section 3.14 (PayPal Plug-In) and all references to the PayPal Plug-In in the Agreement have been removed, since PayPal no longer offers this product.

## Amendment to the PayPal User Agreement and PayPal Website Payments Pro and Virtual Terminal Agreement

Effective Date: Aug 24, 2010

 [Print](#)

### • Amendment to the PayPal User Agreement

**Increased Chargeback Fee.** Section 8.5 (Additional Fees) is amended to increase the Chargeback Fee from \$10 to \$20 for payments in US dollars, and the foreign currency equivalent if the payment was in another currency.

Currency	Chargeback Fee
Australian Dollar:	<b>\$22.00 AUD</b>
Brazilian Real:	<b>35.00 BRL</b>
Canadian Dollar:	<b>\$20.00 CAD</b>
Czech Koruna:	<b>400.00 CZK</b>
Danish Koruna:	<b>120.00 DKK</b>
Euro:	<b>€16 EUR</b>
Hong Kong Dollar:	<b>\$155.00 HKD</b>
Hungarian Forint:	<b>4325 HUF</b>
Israeli Shekel:	<b>75.00 ILS</b>
Japanese Yen:	<b>¥1875 JPY</b>
Mexican Peso:	<b>\$250.00 MXN</b>
New Zealand Dollar:	<b>\$28.00 NZD</b>
Norwegian Krone:	<b>125.00 NOK</b>
Philippine Peso	<b>900.00 PHP</b>
Polish Zlotych:	<b>65.00 PLN</b>
Singapore Dollar:	<b>\$28.00 SGD</b>
Swedish Krona:	<b>150.00 SEK</b>
Swiss Franc:	<b>22.00 CHF</b>
Taiwan New Dollar:	<b>625.00 TWD</b>
Thai Baht:	<b>650.00 THB</b>
U.K. Pounds Sterling:	<b>£14.00 GBP</b>
U.S. Dollar:	<b>\$20.00 USD</b>

- **Amendment to the PayPal Website Payments Pro and Virtual Terminal Agreement**

**Increased Chargeback Fee.** Section 2 (Fees) is amended to increase the Chargeback Fee from \$10 to \$20 for payments in US dollars, and the foreign currency equivalent if the payment was in another currency.

Currency	Chargeback Fee
Australian Dollar:	\$22.00 AUD
Canadian Dollar:	\$20.00 CAD
Euro:	€16 EUR
Japanese Yen:	¥1875 JPY
U.K. Pounds Sterling:	£14.00 GBP
U.S. Dollar:	\$20.00 USD

- **Amendment to the PayPal User Agreement**

Effective Date: Aug 10, 2010

 [Print](#)

- **Amendment to the PayPal User Agreement**

**Refund Fee.** Section 8.5 (Additional Fees) is amended to add a new refund fee. If you refund a Purchase Payment, we will retain the Fixed Fee portion of the Purchase Payment Fee. The buyer's Account will be credited with the full Purchase Payment amount and the Fixed Fee portion of the Purchase Payment Fee will be deducted from your Account in addition to the amount of the refunded payment. The Fixed Fee will depend on the currency of the Purchase Payment and is listed in 8.4(c).

- **Amendment to the PayPal User Agreement, Privacy Policy, and Website Payments Pro and Virtual Terminal Agreement**

Effective Date: Jul 13, 2010

 [Print](#)

- **Amendment to the PayPal User Agreement**

**PayLater Removal.** PayPal is no longer offering PayPal Pay Later, so Section 13.6 is amended to clarify that PayPal Pay Later will no longer be available as a way to make a payment which qualifies for buyer protection. Other references to PayPal Pay Later have also been removed from the User Agreement.

**Attorney's Fees.** A new subsection, "Insolvency Proceedings," has been added to Section 14. It states that PayPal will be entitled to recover all reasonable costs or expenses incurred in connection with enforcement of the User Agreement if you commence a proceeding under United States Bankruptcy Code or any other bankruptcy or insolvency law, or if such a proceeding is commenced against you.

**Third Party Applications/Websites Disclaimer.** Section 15.3 (formerly section 14.7) has been amended to state that if you use third party software applications on the PayPal website, your use may be subject to a license you agree to with the third party that provides you with this software. PayPal does not own, control, nor have any responsibility or liability for any third party software application you elect to use on the PayPal Website or in connection with the PayPal Services.

- **Amendment to the PayPal Privacy Policy**

TRUSTe, who serves as a liaison to PayPal to resolve concerns regarding our privacy policies, has reviewed and approved of the following updates:

The Privacy Policy preamble has been updated to include "products, services or any feature, technologies, or functionalities offered by PayPal – i.e., the PayPal services (collectively – "the PayPal Services"). The text of the policy has been adjusted throughout to reflect this change. Also, the TRUSTe Watchdog URL has been updated to TRUSTe Watchdog url has been updated to:  
<http://watchdog.truste.com/pvr.php?page=complaint&url>.

A new section has been added entitled: "Binding Corporate Rules." It reads: In addition to the privacy practices set out in this Privacy Policy, eBay Inc. has established a set of Corporate Rules (also referred to as Binding Corporate Rules), approved by a number of European Union privacy regulators. These Corporate Rules are a commitment by eBay Inc. to adequately protect your personal information regardless of where the data resides, and depending upon your location, may provide additional privacy rights through your privacy regulator or a court. If you would like additional information regarding the Corporate Rules or contact us via the contact details above."

The "How we collect information about you" section has been updated to include that PayPal collects information from your "interactions with Members of the eBay corporate family, and from other companies." Language about collecting information in ways "not specifically described" has been removed.

The "How we use cookies" section has been updated to include the following language: "We and our service providers also use cookies to customize the PayPal services, content and advertising; measure promotional effectiveness, and promote trust and safety. You may encounter cookies from third parties when using the

PayPal Services on websites that we do not control (for example, if you view a webpage created by a third party or use an application developed by a third party, there may be a cookie placed by that web page or application)."

The "How we protect and store personal information" section has been updated to indicate that, in addition to the previously mentioned "United States," data may be transferred "elsewhere in the world where PayPal facilities are located."

The "How we use the personal information we collect" section has been updated. In the sixth bullet, "send you" has been replaced with "deliver."

A new section has been added entitled "Marketing." It reads as follows: "We don't sell or rent your personal information to third-parties for their marketing purposes without your explicit consent. We may combine your information with information we collect from other companies and use it to improve and personalize the PayPal services, content and advertising. If you don't wish to receive marketing communications from us or participate in our ad-customization programs, simply indicate your preference by logging into your account going to the profiles subtab under the My Account tab and adjusting your preferences under Account Information or by following the directions provided with the communication or advertisement."

The "How we share personal information with other PayPal users" section now includes the following language: "In addition, this and other information may also be shared with third parties when you use these third parties to access PayPal services. Unless you agreed to it, these third parties are not allowed to use this information for any purpose other than to enable the PayPal Services." Examples of data that may be shared by third parties with us have also been added to this section. We have also clarified the cases in which we may be required to disclose credit card number or bank account number to include compliance with "Credit card rules".

The "How we share personal information with other parties" section has been updated. In the first bullet, "Skype" has been replaced with "Bill Me Later, Inc." and "products" has been inserted between "joint content" and "and services." "Credit Card rules" has been added to the disclosure about sharing data for legal compliance purposes. Wording has been added to clarify that information submitted on a third party website and not directly to PayPal will be subject to the third parties' privacy policy.

The "How you can restrict PayPal from sharing your personal information" section has been updated to explain how you can stop your personal information from being shared with "eBay companies for the purposes of marketing their products."

The "How you can contact us about privacy questions" section has been updated to reflect the new TRUSTE URL: <http://watchdog.truste.com/pvr.php?page=complaint&url>.

- **Amendment to the PayPal Website Payments Pro and Virtual Terminal Agreement**

**Fees:** After October 25, 2010 for merchants that wish to continue to accept American Express and have agreed to the Agreement for American Express Card Acceptance (American Express-PayPal Service Agent Program), the following new fee will be charged by us on behalf of American Express and will apply to American Express Card transactions:

American Express Payments	Fee
Direct Payments	3.5%
Virtual Terminal Payments	3.5%

**Fees:** The following foreign currency equivalents of the fixed fee portion of the Transaction Fee will be added and will replace the \$0.30 USD fixed fee portion for payments made in the currencies listed:

Currency	Fixed Fee
Australian Dollar	\$0.30 AUD
Canadian Dollar	\$0.30 CAD
Euro:	€0.35 EUR
Japanese Yen:	¥40 JPY
U.K. Pounds Sterling:	£0.20 GBP

**Fees:** The following fee for Refunds will be added:

Refund *	Fixed fee portion of the original Transaction Fee.
After August 10, 2010, the Fixed Fee portion of the Transaction Fee will be deducted from your Account at the time of the refund, in addition to full payment amount that is refunded to the buyer.	(The Fixed Fee will depend on the currency of the payment, so if the payment was made in USD then the refund fee is \$0.30.)

\* Excludes Direct Payments and Virtual Terminal Payments where an American Express Card is used.

**Fees:** The Chargeback fee will be increased from \$10 to \$20 for payments in US dollars, and the foreign currency equivalent if the payment was in another currency.

<u>Chargeback</u>	<b>\$20.00 USD</b>
Applied at the time a Chargeback is applied to your account and charged in the currency of the transaction.	<b>\$22.00 AUD</b>

\$20.00 CAD
€16.00 EUR
¥1875 JPY
£14.00 GBP

**American Express Acceptance:** The following new section relating to American Express acceptance is being added:

American Express Acceptance.

- a. If you wish to accept American Express Cards you must log into your PayPal Account, selecting "Profile", and then selecting "American Express acceptance" under the Seller Preferences tab on the Profile page and agree to the Amex Acceptance Agreement. Not all Merchants are eligible for American Express acceptance through the Products since PayPal is prohibited from accepting American Express Card transactions from merchants in certain business categories. If you used the Products prior to July 13, 2010 and sign up for American Express acceptance before October 25, 2010 then the terms of this Section 4 shall not take effect until October 25, 2010.
- b. If you elect to accept American Express Cards then, in addition to this Pro/VT Agreement, your transactions will be governed by the terms of the Amex Acceptance Agreement that you agreed to with American Express. To the extent there is any inconsistency between this Pro/VT Agreement and the Amex Acceptance Agreement then the terms of the Amex Acceptance Agreement will control but only with respect to your American Express Card payments and only to the extent of the inconsistency.
- c. As an agent of American Express we may request that you take certain actions in connection with the Amex Acceptance Agreement.

**Brand Parity:** Your obligation not to display a preference for one Card over another will be expanded to reflect that you will not be allowed to discriminate against one Card over another.

**Card Not Present.** The following section was added:

You acknowledge that PayPal processes transactions through the Products as remote (card not present) payments. If you accept a Card that is physically presented to you at the point of sale you acknowledge that the scope of your protection from Chargebacks will be limited to the protection that is available for remote payments. You agree that you may not accept an American Express Card that is physically presented to you.

**Required Use of Express Checkout.**

The following sentence was added to the requirements around how you treat PayPal Express Checkout:

You shall not discriminate against PayPal, nor discourage its use, as a payment option over any other payment option offered by you.

**Disclaimer.** The following disclaimer was added, expanding upon, and replacing, a similar disclaimer that related to Account Monitoring services:

PayPal does not guarantee, represent or warrant that the PayPal Services and related features that enable you to detect or minimize fraudulent transactions will discover or prevent all non-valid or fraudulent transactions. PayPal is not responsible for any non-valid or fraudulent transactions that are processed.

**Reserves and Protective Actions.**

The following sub sections were added to the Reserve section, which was renamed "Reserve and Protective Actions":

Additional Actions. We may take other reasonable actions we determine are necessary to protect against the risk associated with your PayPal Account including requesting additional collateral from you such as a letter of credit or a personal guarantee. PayPal may contact your customers, on your behalf, in the event that PayPal is investigating potential fraud.

Information. In order to determine the risk associated with your PayPal Account, PayPal may request at any time, and you agree to provide, any information about your business, operations or financial condition. We reserve the right to reassess your eligibility for any Product if your business is materially different from the information you provided in your application.

**General Provisions.**

The following general provisions were added to the Agreement:

- a. Law and Forum for Disputes. Except as otherwise agreed by the parties or as described in section 14.1 or 14.2 of the PayPal User Agreement, you agree that any claim or dispute you may have against PayPal must be resolved by a court located in either Santa Clara County, California, or Omaha, Nebraska. You agree to submit to the personal jurisdiction of the courts located within Santa Clara County, California, or Omaha, Nebraska for the purpose of litigating all such claims or disputes. This Pro/VT Agreement shall be governed in all respects by the laws of the State of California, without regard to conflict of law provisions.
- b. Indemnification. You agree to defend, indemnify and hold PayPal, its parent, officers, directors and employees harmless from any claim or demand (including attorneys' fees) made or incurred by any third party due to or arising out of your breach of this Pro/VT Agreement and/or your use of the Products or the PayPal Services accessed through the Products.
- c. No Waiver. Our failure to act with respect to a breach by you or others does not waive our right to act

with respect to subsequent or similar breaches.

- d. **Data Use.** PayPal shall have the right (i) to use the Data it receives from you as necessary to perform the PayPal Services; (ii) to collect and process the Data subject to applicable law to use internally for record keeping, internal reporting, analytics, fraud detection and support purposes; (iii) to compile and disclose Data in the aggregate where your individual or user Data is not identifiable, including calculating Merchant averages by region or industry; and (iv) to provide the Data as required by the Card Companies, the Acquiring Banks, law or court order, or to defend PayPal's rights in a legal dispute.
- e. **Complete Agreement.** This Pro/VT Agreement, along with the PayPal User Agreement and any applicable policies and agreements on the [Legal Agreements](#) page on the PayPal website, sets forth the entire understanding between you and PayPal with respect to the your use of the Products and the PayPal Services accessed through the Products. If any provision of this Pro/VT Agreement is held to be invalid or unenforceable, such provision shall be struck and the remaining provisions shall be enforced. In addition, you're acceptance of Card transactions via a Product is also subject to a Commercial Entity Agreement you have with each of the Acquiring Banks.

**Definitions.** A definitions section was added to the end of the Agreement.

## Amendment to the PayPal User Agreement

Effective Date: May 11, 2010

 [Print](#)

### • Amendment to the PayPal User Agreement

In Section 2.4 (Credit Report Authorization) you additionally authorize PayPal to obtain your personal and/or business credit report from a credit bureau when you request certain new products, such as the PayPal Debit Card.

In Section 3.12 (PayPal Mobile) you acknowledge that if you use PayPal Mobile to conduct a transaction that requires currency conversion, we will perform the currency conversion and will charge you the Currency Conversion Fee listed in Section 8. If you do not want us to perform the currency conversion, you should complete the transaction using a PayPal Service other than PayPal Mobile.

In Section 3.4 (Payment Method Limitations) you agree that your available Payment Methods may be limited if you make a PayPal payment through certain third party websites or applications.

There is a new Section 4.10 that covers your receipt of Recurring Payments. It reads as follows:

**Receiving Recurring Payments.** If you receive Recurring Payments you must comply with the following requirements:

- a. **Authorization.** You must receive your buyer's prior Authorization for the amount, frequency, and duration of the Recurring Payment.
- b. **Notice Requirements.** If the amount of the Recurring Payment varies, you must comply with one of the following three requirements:
  - i. You must allow your buyer to set both a minimum and maximum amount that you may charge for each Recurring Payment, and you must stay within that range; or
  - ii. You must inform your buyer of his/her right to receive notice of the amount and date of each Recurring Payment. If your buyer elects to receive such notice, you must provide the notice at least 10 Days prior to the date of the Recurring Payment; or
  - iii. You must provide your buyer with the ability to receive notice in each of the following instances:
    1. For every Recurring Payment;
    2. When the amount of the Recurring Payment will fall outside the minimum and maximum amount agreed to by your buyer; and
    3. When the amount of the Recurring Payment will differ from the prior Recurring Payment by more than an amount agreed to by your buyer.

If your buyer elects to receive notice in any of these instances you must provide such notice at least 10 Days prior to the date of the Recurring Payment.

- c. **Required Cancellation Procedures for Recurring Payments.** You must provide buyers with the ability to cancel a Recurring Payment within 3 Business Days of the scheduled date of the Recurring Payment. In addition, if your buyer signed up for the Recurring Payment through an online method, you must provide a simple and easily accessible online cancellation procedure. If your buyer cancels the Recurring Payment, you may not charge for the Recurring Payment.

There is a new Section 4.11 that covers your receipt of No Log-In Payments. It reads as follows:

**No Log-In Payments.** If you receive No Log-In Payments you must receive your buyer's Authorization to the payment amount prior to submitting the No Log-In Payment.

Section 10.1 (Liability For PayPal Claims) is amended to state that PayPal offers protection to buyers in the United Kingdom (UK) for Significantly Not as Described Claims for purchases made with any Merchant even if the purchase is not an eBay transaction. As such, if you sell to a buyer with a UK PayPal Account and the buyer files a Significantly Not as Described Claim, you will generally be required to accept the item back and refund the buyer the full purchase price plus original shipping costs. You will not receive a refund on your PayPal fees. If you lose a Significantly Not as Described Claim because the item you sold is counterfeit, you will be required to provide a full refund to the buyer and you will not receive the item back (it will be destroyed).

Section 10.1 (Liability For PayPal Claims) is amended to provide that under the eBay Buyer Protection Program for eBay sellers, where eBay makes a final decision that you lose an eBay Buyer Protection claim and your PayPal Balance is not sufficient for PayPal to reimburse eBay for that claim, then PayPal will place a hold on your Account until the earlier of: (1) sufficient funds are added to your Balance to reimburse eBay for your liability at which time we will reimburse eBay in full, or (2) 40 days from the date of eBay's decision that you lose the claim at which time we will remove your Balance to partially reimburse eBay for your liability.

### Amendment to the PayPal User Agreement, Acceptable Use Policy, and Student Account Agreement

Effective Date: Mar 10, 2010

 [Print](#)

- **Amendment to the PayPal User Agreement**

Section 8 (Fees) of the User Agreement is amended to state that you may not send a Personal Payment to a recipient in India. Any payment sent to India must be for a Purchase Payment and will be charged the Purchase Payment fees.

- **Amendment to the PayPal User Agreement**

The following will be added to section 11.7 (newly numbered 11.5) as an additional example of transactions not eligible for seller protection:

"Items that are not shipped to the recipient's shipping address on the Transaction Details Page. If you originally ship the item to the shipping address on the Transaction Details Page but the item is later redirected to a different address, you will not be eligible for seller protection. We therefore recommend not using a shipping service that is arranged by the buyer, so that you will be able to provide valid proof of shipping and delivery."

- **Amendment to Section 13 (Protection for Buyers) of the PayPal User Agreement**

Section 13.3 (Eligibility of Item Purchased on eBay) has been amended. Eligibility for PayPal Buyer Protection is now based on whether the PayPal or eBay buyer protection message is included in the eBay listing. Previously eligibility had been based only on whether a PayPal Buyer Protection message was shown.

- **Amendment to the PayPal Student Account Agreement**

1. The following language is added to section 3.c (Parent Control):

**x.:** "Marketing Promotions. If the Parent Account has opted-in to receiving marketing notifications in its Account Profile, then we may send such notifications to the Child as well."

2. The following language is added to section 3.d (Child Control):

**x.:** "Marketing Promotions. The Student may participate in marketing promotions or campaigns offered from time to time."

3. The last paragraph of section 4 (Liability) will read:

"Any online agreements that are accepted by the Child, including terms and conditions of any promotion the Child participates in, are accepted by the Parent as if the Parent had taken the action. The Parent is responsible for educating the Child on internet safety."

- **Amendment to the PayPal Acceptable Use Policy**

Beginning March 10, 2010 the PayPal Acceptable Use Policy is being amended under the Activities Requiring Approval section to add airlines and scheduled or non-scheduled charters/jets/air taxi operators as services that require pre-approval.

### Amendment to the PayPal User Agreement, Student Account Agreement, and Acceptable Use Policy

Effective Date: Oct 14, 2009

 [Print](#)

- **Amendment to the PayPal User Agreement**

Beginning October 14, 2009 PayPal user agreement is being amended as follows:

We are revising section 11.3 as follows:

- a. We are moving it. It will now be section 10.2.
- b. We are expanding this section to allow us to place a temporary hold on amounts subject to a claim filed by an eBay user, through the eBay resolution process, if your PayPal account is your eBay reimbursement method.
- c. The new language will read:

**"10.2 Temporary Holds for Disputed Transactions.** If a buyer files a Claim, Chargeback or Reversal on a payment you received, PayPal will place a temporary hold on the funds in your Account to cover the amount of the liability. If you win the dispute or the transaction is eligible for PayPal seller protection, PayPal will lift the temporary hold. If you lose the dispute, PayPal will remove the funds from your Account. This process also applies to claims that a buyer files directly with eBay through the eBay resolution process if your PayPal Account is your reimbursement method for buyer claims."

- **Amendment to the PayPal Student Account Agreement**

Beginning October 14, 2009 the PayPal Student Account agreement is being amended to allow the Child to add a bank account to his or her PayPal Student Account.

- **Amendment to the PayPal Acceptable Use Policy**

Beginning October 14, 2009 the PayPal Acceptable Use Policy is being amended in Section 3 (c) to add the purchase of real property as a prohibited activity.

### Amendment to the PayPal User Agreement

Effective Date: Aug 19, 2009

 [Print](#)

- **Amendment to the PayPal User Agreement**

Beginning August 19, 2009 PayPal user agreement is being amended as follows:

1. We are revising Section 8 of the User Agreement for two reasons:

- a. To show the fees in a clearer manner without a substantial change, and
- b. To insert the following:

“In some instances, personal transaction pricing may not be available, the transaction will be considered a commercial transaction and the commercial transaction fees shall apply. This may occur on non-PayPal websites that offer you the ability to send a payment from your PayPal account.

Personal transactions are always available when you go to our website, log in to your Account, click the “Send Money” tab, and select “Personal” when you send the money.”

2. We are revising Sections 10.1 and 10.2 of the User Agreement. The revised section will read as follows:

**“10.1 Your Liability.** You are responsible for all Reversals, Chargebacks, Claims, fees, fines, penalties and other liability incurred by PayPal, a PayPal User, or a third party caused by or arising out of your breach of this Agreement, and/or your use of the Services.

- a. **Liability for PayPal Buyer Protection Claims, and Buyer Complaint Policy Claims.** If PayPal makes a final decision that you lose a Claim filed directly with PayPal, you will be required to reimburse PayPal for your liability. Your liability will include the full purchase price of the item and original shipping cost (and in some cases, you may not receive the item back). PayPal Seller Protection may cover your liability, see section 11 below.
- b. **Liability for claims filed directly with eBay under eBay’s resolution process.** If you are an eBay seller, eBay requires that you comply with their resolution process. As such, you have provided eBay with permission to make a final decision on a claim that a buyer files against you directly with eBay. If eBay makes a final decision that you lose a claim, you agree to allow PayPal to remove funds from your PayPal Account in order to reimburse eBay for your liability. “Item not received” claims filed directly with eBay are not covered by PayPal Seller Protection. See [eBay Buyer Protection policy](#) for more information.
- c. **Opt-Out.** If you do not want to allow PayPal to reimburse eBay for your liability, you may opt-out by calling eBay at 1-866-643-0898. Your opt-out will be effective within 3 Business Days. If you opt-out then eBay will not use your PayPal Account to recover amounts that you owe due to an eBay claim that you lost. This opt-out will not affect other amounts that you pay to eBay using your PayPal Account (such as your eBay fees).

**10.2 Reimbursement for Your Liability.** In the event that you are liable for any amounts owed to PayPal, PayPal may immediately remove such amounts from your Balance. If you do not have a Balance that is sufficient to cover your liability, your Account will have a negative Balance and you will be required to immediately add funds to your Balance to eliminate the negative Balance. If you do not do so, PayPal may engage in collection efforts to recover such amounts from you.”

3. We are revising Section 10.5 of the User Agreement to allow PayPal to place reserves on Personal Accounts that are receiving Commercial Transactions.
4. The PayPal Credit definition in section 15 will be expanded to include Bill Me Later.

### Amendment to the PayPal Acceptable Use Policy

Effective Date: Aug 19, 2009

 [Print](#)

- **Amendment to the PayPal Acceptable Use Policy**

Beginning October 14, 2009 the PayPal Acceptable Use Policy is being amended in Section 3 (c) to add the purchase of real property as a prohibited activity.

## Amendment to the PayPal Debit Card Agreement

Effective Date: Jul 01, 2009



### • PayPal Preferred Rewards - Cash Back

Beginning July 1, 2009 the PayPal Preferred Reward program terms are amended.

Section 5 of the PayPal Debit Card Agreement will read as follow:

#### "5. PayPal Preferred Rewards - Cash Back.

- a. **Cash back.** The PayPal Preferred Rewards program provides 1% cash back on the net amount of your eligible monthly purchases (purchases minus returns and reversals). Net amount means all eligible purchases minus reversals for any reason including returns and refunds.
- b. **Eligibility**
  1. You must have a Premier or Business Account.
  2. Eligible purchases. To be eligible for cash back, the Debit Card purchase must be an online or signature-based purchase that does not require a PIN (personal identification number). Some merchant locations offer you the option of choosing "Credit" or "ATM/Debit" when making a payment. To qualify for cash back, you must choose "Credit".
  3. Your PayPal Debit Card must be in good standing at the time you make an eligible purchase and when PayPal makes the cash back payment.
  4. If you sell on eBay or other websites, you must enroll in the PayPal Preferred Program and turn on the "Tell Buyers that I prefer PayPal payments" preference.
- c. **Payout.** The cash back will be calculated at the end of each calendar month and added to your PayPal Balance.
- d. The PayPal Preferred Rewards program is not available for debit cards obtained through your Personal Account or for the Student Card."

## Amendment to the PayPal User Agreement

Effective Date: Jun 08, 2009



### • Pilot Program that will change your default payment sources

Pilot Program that will change your default payment sources (section 3 of the User Agreement)

Some PayPal users will receive an email from PayPal informing them that they have been selected to participate in a pilot program that will change their default payment sources for a 12 month period. If you are selected to participate in this pilot, your default payment sources will be changed as follows:

1. Not "required" to use your Balance when sending a payment. Right now, if you have a Balance in your PayPal Account, you are required to either withdraw your Balance, or use it to fund your payment. If you are entered into this pilot, you will have the option of changing your payment source at the time you make a payment even if you have a Balance.
2. Bank before Balance. Right now, if you have a Balance in your PayPal Account, you are required to either withdraw your Balance, or use it to fund your payment. If you are entered into this pilot, you will make payments from your bank account instead of your Balance. In addition, you will have the option of changing your payment source at the time you make a payment even if you have a Balance.
3. Credit Card before Balance. Right now, if you have a Balance in your PayPal Account, you are required to either withdraw your Balance, or use it to fund your payment. If you are entered into this pilot, you will make payments from your credit card instead of your Balance. In addition, you will have the option of changing your payment source at the time you make a payment even if you have a Balance.

## Amendment to the PayPal User Agreement

Effective Date: Jun 03, 2009



### • Receiving Payments for Commercial Transactions and Personal Transactions.

1. Section 4.2 of the user agreement will read as follows:

**"4.2 Receiving Payments for Commercial Transactions and Personal Transactions.** a. Fees depend on whether you are making a commercial transaction or a personal transaction. A commercial transaction involves buying and selling goods or services, and payments received when you send a "request money" using PayPal. A personal transaction involves sending money to and receiving money from friends and family without making a purchase.

b. If you are selling goods or services, you may not ask the buyer to send you a personal payment for the purchase. If you do so, PayPal may remove your ability to accept personal payments."

2. Section 8 of the user agreement will read as follows:

**8. Fees.** All fees are in U.S. Dollars unless otherwise stated.

Fees depend on whether you are making a commercial transaction or a personal transaction. A commercial transaction involves buying and selling goods or services, and payments received when you send a "request money" using PayPal. A personal transaction involves sending money to and receiving money from friends and family without making a purchase.

**Personal Transactions.** Fees depend on the payment source that the sender selects. The amount of the fee will be shown at the time the payment is sent. The Fee is paid by either the sender or the recipient. The sender decides who pays.

Domestic Personal Transactions - U.S. sender and recipient.

	Payment Fully Funded by PayPal Balance or Bank	Payment Fully or Partially Funded by PayPal Credit, Debit Card, or Credit Card
Sending / Receiving	Free	2.9% + Fixed Fee (see below)

International Personal Transactions - The sender or recipient is outside the U.S.

	Payment fully funded by PayPal Balance or Bank	Payment fully or partially funded by PayPal Credit, Debit Card, or Credit Card
Sending / Receiving	This fee is based on the country of the recipient. Recipient's Country: Australia 1% Canada 1% China 0% Germany 2% Hong Kong 0% Singapore 0% Taiwan 0% U.S 1% Elsewhere 0.5%	This fee is based on the country of the recipient. Recipient's Country: Australia 3.4% + Fixed Fee (see below) Canada 3.9% + Fixed Fee China 0.0% + Fixed Fee Germany 3.9% + Fixed Fee Hong Kong 3.4% + Fixed Fee Singapore 3.4% + Fixed Fee Taiwan 3.4% + Fixed Fee U.S. 3.9% + Fixed Fee Elsewhere 3.9% + Fixed Fee

**Commercial Transactions**

Domestic - Commercial Transactions - U.S. sender and recipient

Sending (Buying)	Free										
Receiving (Selling)	Standard rate: 2.9% + Fixed Fee (see below) Merchant rate (requires one-time application, qualifying monthly sales volume, and account in good standing)										
	<table border="1"> <thead> <tr> <th>Transaction Fees:</th> <th>Monthly Sales Volume:</th> </tr> </thead> <tbody> <tr> <td>2.9% + Fixed Fee</td> <td>\$0.00 - \$3,000.00</td> </tr> <tr> <td>2.5% + Fixed Fee</td> <td>\$3,000.01 - \$10,000.00</td> </tr> <tr> <td>2.2% + Fixed Fee</td> <td>\$10,000.01 - \$100,000.00</td> </tr> <tr> <td>1.9% + Fixed Fee</td> <td>\$100,000.01 and over</td> </tr> </tbody> </table>	Transaction Fees:	Monthly Sales Volume:	2.9% + Fixed Fee	\$0.00 - \$3,000.00	2.5% + Fixed Fee	\$3,000.01 - \$10,000.00	2.2% + Fixed Fee	\$10,000.01 - \$100,000.00	1.9% + Fixed Fee	\$100,000.01 and over
	Transaction Fees:	Monthly Sales Volume:									
	2.9% + Fixed Fee	\$0.00 - \$3,000.00									
	2.5% + Fixed Fee	\$3,000.01 - \$10,000.00									
2.2% + Fixed Fee	\$10,000.01 - \$100,000.00										
1.9% + Fixed Fee	\$100,000.01 and over										

International - Commercial Transactions - The sender is outside the U.S.

Sending (Buying)	Free unless using the PayPal Plug-In
Cross Border Fee for Sending (Buying) using the PayPal Plug-In Applies only to payments made to a non-U.S. seller	1%
	Standard rate: 3.9% + Fixed Fee (see below) Merchant rate (requires one-time application, qualifying monthly sales volume, and account in good standing)

Receiving (Selling)	Transaction Fees:	Monthly Sales Volume:
	3.9% + Fixed Fee	\$0.00 - \$3,000.00
	3.5% + Fixed Fee	\$3,000.01 - \$10,000.00
	3.2% + Fixed Fee	\$10,000.01 - \$100,000.00
	2.9% + Fixed Fee	\$100,000.01 and over

**Fixed Fee** - The Fixed Fee is based on the currency received as follows:

Australian Dollar:	\$0.30 AUD
Canadian Dollar:	\$0.30 CAD
Czech Koruna:	10.00 CZK
Danish Koruna:	2.60 DKK
Euro:	€0.35 EUR
Hong Kong Dollar:	\$2.35 HKD
Hungarian Forint:	90 HUF
Israeli Shekel:	1.20 ILS
Japanese Yen:	¥40 JPY
Mexican Peso:	\$4.00 M¥N
New Zealand Dollar:	\$0.45 NZD
Norwegian Krone:	2.80 NOK
Polish Zlotych:	1.35 PLN
Singapore Dollar:	\$0.50 SGD
Swedish Krona:	3.25 SEK
Swiss Franc:	0.55 CHF
U.K. Pounds Sterling:	£0.20 GBP
U.S. Dollar:	\$0.30 USD

#### Additional Fees

Currency Conversion Fee	2.5% added to the exchange rate	
Withdrawing your Balance	Free to transfer to a bank \$1.50 for a physical check	
Chargeback Fee	This Fee is based on the currency received as follows:	
	Australian Dollar:	\$15.00 AUD
	Canadian Dollar:	\$15.00 CAD
	Czech Koruna:	250.00 CZK
	Danish Koruna:	60.00 DKK
	Euro:	€11.25 EUR
	Hong Kong Dollar:	\$75.00 HKD
	Hungarian Forint:	2000 HUF
	Israeli Shekel:	40.00 ILS
	Japanese Yen:	¥1,300 JPY
	Mexican Peso:	\$110.00 M¥N
	New Zealand Dollar:	\$15.00 NZD
	Norwegian Krone:	65.00 NOK

	<table border="1"> <tr> <td>Polish Zlotych:</td> <td>30.00 PLN</td> </tr> <tr> <td>Singapore Dollar:</td> <td>\$15.00 SGD</td> </tr> <tr> <td>Swedish Krona:</td> <td>80.00 SEK</td> </tr> <tr> <td>Swiss Franc:</td> <td>10.00 CHF</td> </tr> <tr> <td>U.K. Pounds Sterling:</td> <td>£7.00 GBP</td> </tr> <tr> <td>U.S. Dollar:</td> <td>\$10.00 USD</td> </tr> </table> <p>This Fee does not apply if the transaction is covered by PayPal seller protection.</p>	Polish Zlotych:	30.00 PLN	Singapore Dollar:	\$15.00 SGD	Swedish Krona:	80.00 SEK	Swiss Franc:	10.00 CHF	U.K. Pounds Sterling:	£7.00 GBP	U.S. Dollar:	\$10.00 USD																								
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Sending Payments through Mass Payments	<p>2% up to a maximum amount of \$1.00 USD per recipient, or foreign currency equivalent as follows:</p> <table border="1"> <tr> <td>Australian Dollar:</td> <td>\$1.25 AUD</td> </tr> <tr> <td>Canadian Dollar:</td> <td>\$1.25 CAD</td> </tr> <tr> <td>Czech Koruna:</td> <td>24.00 CZK</td> </tr> <tr> <td>Danish Koruna:</td> <td>6.00 DKK</td> </tr> <tr> <td>Euro:</td> <td>€0.85 EUR</td> </tr> <tr> <td>Hong Kong Dollar:</td> <td>\$7.00 HKD</td> </tr> <tr> <td>Hungarian Forint:</td> <td>210 HUF</td> </tr> <tr> <td>Israeli Shekel:</td> <td>4.00 ILS</td> </tr> <tr> <td>Japanese Yen:</td> <td>¥120 JPY</td> </tr> <tr> <td>Mexican Peso:</td> <td>\$11.00 MXN</td> </tr> <tr> <td>New Zealand Dollar:</td> <td>\$1.50 NZD</td> </tr> <tr> <td>Norwegian Krone:</td> <td>6.75 NOK</td> </tr> <tr> <td>Polish Zlotych:</td> <td>3.00 PLN</td> </tr> <tr> <td>Singapore Dollar:</td> <td>\$1.60 SGD</td> </tr> <tr> <td>Swedish Krona:</td> <td>9.00 SEK</td> </tr> <tr> <td>Swiss Franc:</td> <td>1.30 CHF</td> </tr> <tr> <td>U.K. Pounds Sterling:</td> <td>£0.65 GBP</td> </tr> <tr> <td>U.S. Dollar:</td> <td>\$1.00 USD</td> </tr> </table>	Australian Dollar:	\$1.25 AUD	Canadian Dollar:	\$1.25 CAD	Czech Koruna:	24.00 CZK	Danish Koruna:	6.00 DKK	Euro:	€0.85 EUR	Hong Kong Dollar:	\$7.00 HKD	Hungarian Forint:	210 HUF	Israeli Shekel:	4.00 ILS	Japanese Yen:	¥120 JPY	Mexican Peso:	\$11.00 MXN	New Zealand Dollar:	\$1.50 NZD	Norwegian Krone:	6.75 NOK	Polish Zlotych:	3.00 PLN	Singapore Dollar:	\$1.60 SGD	Swedish Krona:	9.00 SEK	Swiss Franc:	1.30 CHF	U.K. Pounds Sterling:	£0.65 GBP	U.S. Dollar:	\$1.00 USD
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Card and Debit Card Confirmation Fee	<p>\$1.95</p> <p>This amount will be refunded when you successfully complete the credit card or debit card confirmation process.</p>																																				
Records Request Fee	<p>\$10.00(per item)</p> <p>We will not charge you for records requested in connection with your good-faith assertion of an error in your Account.</p>																																				

## PayPal Debit Card Fees

U.S. ATM Withdrawal	\$1.00 USD (plus any amounts charged by the ATM owner)
Signature Withdrawal	\$3.00 USD if a signature is required.
Non-U.S. ATM Withdrawal (using an ATM machine that is not in the U.S.)	1% This fee will apply even if the transaction does not require a currency conversion.
Non-U.S. Debit Card Usage (making a purchase from a seller who is not in the U.S.)	1% This fee will apply even if the transaction does not require a currency conversion.

Currency Conversion Fee	2.5% added to the exchange rate
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3. Section 13.10 of the user agreement will read as follows:

"13.10 **No Double Recovery.** You may not file a Dispute/Claim, or receive a recovery, for a purchase under PayPal's protection for buyers if you have already received a recovery for that purchase directly from eBay or the seller."

### Amendment to the PayPal Acceptable Use Policy

Effective Date: Jun 03, 2009



#### • Prohibited Activities

Beginning June 3, 2009 the PayPal Acceptable Use Policy is being amended to include a new Section 4 as follows:

**Prohibited Activities** You may not use the PayPal service for activities that:

"4. involve the sales of products or services identified by government agencies to have a high likelihood of being fraudulent"

### Amendment to the PayPal User Agreement, PAYPAL'S STUDENT CARD AGREEMENT, PAYPAL DEBIT CARD AGREEMENT

Effective Date: Apr 08, 2009



#### • Beginning April 8, 2009 the PayPal User Agreement is being amended as follows:

1. Section 13.4 is being amended to include the following language:

"If you lose a Significantly Not as Described Claim because the item you sold is counterfeit, you will be required to provide a full refund to the buyer and you will not receive the item back (it will be destroyed)."

2. Section 13.5 is being revised. The new Section 13.5 will read as follows:

#### "What is the PayPal Buyer Complaint Policy?"

##### a. What is the PayPal Buyer Complaint Policy?

It is PayPal's process to help you resolve a problem directly with the seller through the PayPal Resolution Center for purchases that are not eligible for PayPal Buyer Protection.

The PayPal Buyer Complaint Policy is similar to PayPal Buyer Protection in that it enables buyers to file Disputes for Items Not Received (INR), or for items that are Significantly Not as Described (SNAD). By filing a Dispute, you can communicate with the seller and attempt to resolve the problem. If you are unable to resolve the problem, you may escalate an Item Not Received (INR) Dispute to a Claim – but you may not escalate a Significantly Not as Described Dispute to a Claim.

**Even though you may escalate an Item Not Received Dispute to a Claim, you are not guaranteed recovery. If the Claim is decided in your favor, your recovery is limited to the amounts that PayPal can recover from the seller's Account.**

##### b. What is the process for the Buyer Complaint Policy?

Similar to PayPal Buyer Protection, you must file a Dispute in the PayPal Resolution Center within 45 days of the date you sent the payment. Once you have done so, you should attempt to resolve the Dispute directly with the seller.

##### c. What happens if I am unable to resolve the Dispute directly with the seller?

You may escalate the Dispute to a Claim within 20 days of the date you filed the Dispute. PayPal will make a final decision for some - but not all - Claims. You should not escalate a Dispute for Significantly Not as Described (SNAD) to a Claim because PayPal will not make a decision on a SNAD Claim under the PayPal Buyer Complaint Policy."

3. The Exchange Rate and Currency Conversion Fee is being renamed to "Currency Conversion Fee". The amount of the fee is "2.5% added to the exchange rate". This change is only for clarification purposes and does not change the application of the fee.

4. The Student Card Agreement is being revised in its entirety. The new version will read as follows:

#### • "PAYPAL'S STUDENT CARD AGREEMENT"

This Student Card Agreement ("Agreement") is a contract between you (the Parent) and PayPal and applies to your use, and the Child's use, of the Student Card and the PayPal Services.

**PLEASE READ THIS AGREEMENT CAREFULLY. BY APPLYING FOR AND RECEIVING A STUDENT CARD, YOU AGREE TO BE FULLY LIABLE AND RESPONSIBLE FOR ALL OF THE CHILD'S ACTIONS, OBLIGATIONS, AND LIABILITY RELATED TO THE STUDENT CARD AND THE PAYPAL SERVICES.**

This Agreement applies in addition to the User Agreement and other applicable agreements. All capitalized terms shall have the definitions provided in this Agreement, or if a definition is not provided in this Agreement, the definition in the Student Account Agreement or the User Agreement shall apply. We last modified this Agreement on April 8, 2009.

1. **Receiving and activating the Student Card.** The Parent must apply for the Student Card. PayPal retains sole discretion to accept or reject any application for a Student Card.
2. **Using the PayPal Student Card.**
  - a. **Purchases and ATM withdrawals.** The Child may use the Student Card to make purchases anywhere MasterCard is accepted and to withdrawal amounts at any ATM that is part of the Maestro/Cirrus ATM network. Purchases and withdrawals should not exceed the amount of the Student Account Balance.
  - b. **Parent suspension.** The Parent may suspend the Child's use of the Student Card by changing the Student Account Permissions.

### 3. PayPal Student Card Fees

ATM Withdrawal US	\$ 1.00 (Plus any amounts charged by the ATM owner.)
Signature Withdrawal	\$ 3.00 if a signature is required.
Non-US ATM Transaction (Using an ATM machine that is not in the US)	1% This fee will apply even if the transaction does not require a currency conversion.
Non-US Debit Card Usage (Making a purchase from a seller that is not in the US)	1% This fee will apply even if the transaction does not require a currency conversion.
Exchange Rate & Fee	The currency exchange rate is determined by PayPal based on the current market price and includes a 2.5% Fee. This Fee only applies when PayPal performs the currency conversion.

If the Child uses an ATM that is not a Maestro/Cirrus ATM, the Child may be charged a fee by the operator of the machine and/or by any network used.

4. **ATM withdrawal and spending limits.** Student Card transactions are subject to a daily limit of \$150.00 for ATM withdrawals and cash like withdrawals (e.g. cash advances and money transfers), a \$500.00 daily limit for purchases, and a \$2,000 monthly limit for all Student Card transactions. PayPal retains sole discretion to apply and change these limits.
5. **Preauthorization holds.** Sellers may ask PayPal for a preauthorization prior to allowing a Child to use the Student Card. In such case, PayPal may place a four-day hold on the funds in the Student Account Balance equivalent to the amount of the preauthorization request. If the preauthorization request is less than the amount of the actual transaction, PayPal will debit the amount of the actual transaction from the Student Account, even if this results in a negative balance. For example, if a gasoline station requests a preauthorization for \$40.00 prior to allowing the Child to pump gasoline, and the Student Account has a \$45.00 Balance, PayPal will provide an authorization for the purchase. If the Student then pumps \$50.00 in gasoline, the Student Account will be charged \$50.00 and the Student Account will have a \$5.00 negative Balance. A preauthorization hold may restrict the Child's ability to use some or all of the amounts in the Student Account during the hold period. PayPal is not responsible for any transactions that are not completed because of the hold.
6. **Personal identification number/electronic signature.** The Child's PIN is a security code designed to protect the Student Account against unauthorized use. The Child should memorize the PIN and avoid sharing the PIN with anyone. The PIN is originally requested by the Parent, which will then be delivered to the Child. After receiving such, the Child can change the PIN at any time. PayPal may place a temporary hold on the Student Account if the PIN has been compromised or if the Student Card is lost or stolen. Should the PIN or Student Card become lost or stolen, the Child or Parent shall immediately notify PayPal by calling the PayPal customer service center.
7. **Third party liability.** The Parent shall be liable for any transactions made by a person that the Student or Parent authorizes or permits to use the Student Card.
8. **Rewards and cash back.** Use of the Student Card does not have a rewards or cash back program.
9. **Documentation of Transfers.**
  - a. The Child can get a receipt at the time the Child makes any transfer to or from their Student Account using their Student Card at a Maestro/Cirrus ATM or at a point of sale.
  - b. You may access the Student Account's transaction history and Balance by logging into their Student Account and clicking on the "History" tab. You should do this regularly to verify the activity on your account.
10. **Canceling Recurring Payments.** See Section 3 of the User Agreement for information on how to cancel a Recurring Payment. To read the User Agreement go online to [www.paypal.com](http://www.paypal.com) and click the link for legal agreements at the bottom of any page.
11. **Errors and Unauthorized Transactions.** See Section 12 of the User Agreement for information on

Errors and Unauthorized Transactions. To read the User Agreement go online to [www.paypal.com](http://www.paypal.com) and click the link for legal agreements at the bottom of any page.

12. **Confidentiality.** See the Privacy Policy for information about confidentiality and disclosure of account information. To read the Privacy Policy go online at [www.paypal.com](http://www.paypal.com) and click the link for legal agreements at the bottom of any page."

5. The Debit Card Agreement is being revised in its entirety. The new version will read as follows:

• **"PAYPAL DEBIT CARD AGREEMENT**

This PayPal Debit Card Agreement ("Agreement") is a contract between you and PayPal and applies to your use of PayPal's Debit Card. This Agreement applies to you in addition to the User Agreement and other applicable agreements. All capitalized terms shall have the definitions provided in this Agreement, or if a definition is not provided in this Agreement, the definition in the User Agreement shall apply. You must read, agree with and accept all of the terms and conditions contained in this Agreement. We may amend this Agreement at any time by posting a revised version on our website. The revised version will be effective at the time we post it. In addition, if the revised version includes a Substantial Change, we will provide you with 30 Days' prior notice of Substantial Change by posting notice on the "Policy Updates" page of our website. We last modified this Agreement on April 8, 2009.

1. **PayPal Debit Card.** The PayPal Debit Card ("Debit Card") allows you to access your PayPal Balance through a debit card. You may also access your bank account or PayPal Credit through the PayPal Debit Card if your PayPal Balance is insufficient, and if you have set up a backup funding source. To set up your bank account or PayPal Credit as a backup funding source, log in to your Account, go to the "Profile" page, select "Debit Card" and add your backup funding source preferences.
2. **Using your Debit Card.** You may use your Debit Card at any Maestro/Cirrus ATM. If given the option, select "Checking Account" when using an ATM. You may use your Debit Card to purchase goods and services from merchants that accept MasterCard, in an amount up to your available PayPal Account Balance, or the amounts available through your backup funding source subject to the Spending Limits below. You may also use your card to withdraw cash from your PayPal balance.

3. **PayPal Debit Card Fees.**

ATM Withdrawal US	\$ 1.00
	(Plus any amounts charged by the ATM owner.)
Signature Withdrawal	\$ 3.00 if a signature is required.
Non-US ATM Transaction	1%
(Using an ATM machine that is not in the US)	This fee will apply even if the transaction does not require a currency conversion.
Non-US Debit Card Usage	1%
(Making a purchase from a seller that is not in the US)	This fee will apply even if the transaction does not require a currency conversion.
Exchange Rate & Fee	The currency exchange rate is determined by PayPal based on the current market price and includes a 2.5% Fee. This Fee only applies when PayPal performs the currency conversion.

If you use an ATM that is not a Maestro/Cirrus ATM, you may be charged a fee by the operator of the machine and/or by any network used.

4. **PayPal Preferred Rewards - Cash Back.**

- a. **Cash Back.** The PayPal Preferred Rewards program provides 1% cash back on the net amount of your eligible monthly purchases (purchases minus returns and reversals).
- b. **Eligibility.** To be eligible for PayPal Preferred Rewards - Cash Back:
  - i. You must have a Premier or Business Account.
  - ii. Your Debit Card purchase must be an online or signature-based purchase that does not require a PIN (personal identification number). Some merchant locations offer you the option of choosing "Credit" or "ATM/Debit" when making a payment. To qualify for cash back, you must choose "Credit".
  - iii. Your PayPal Debit Card must be in good standing at the time you make an eligible purchase and when PayPal makes the cash back payment.
  - iv. If you sell on eBay or other websites, you must enroll in the PayPal Preferred Program and turn on the "Tell Buyers that I prefer PayPal payments" preference.  
**The PayPal Preferred Rewards program is not available for debit cards obtained through your Personal Account or for the Student Card.**

5. **Spending Limits.** For your protection, your Debit Card is subject to certain transaction, purchase, withdrawal and usage limits. To view these limits, log into your Account, go to the "My Account" page, select "Profile" and then "PayPal Debit Card."

6. **Preauthorization Holds.** When you use your Debit Card to purchase goods or services or to obtain cash from a merchant, the merchant may attempt to obtain preauthorization from us for the transaction. If the merchant makes such a request, we place a 4 Day hold on your Account for the amount of the preauthorization request (which may vary in some cases from the amount of the actual purchase, depending on the merchant). This hold may affect the availability of funds in your Account. We will not

be responsible if any transactions are not completed because of the hold. If the preauthorization request varies from the amount of the actual transaction, and in the event that we cannot charge your Backup Funding Source, we will debit the entire transaction amount from your Balance, even if this results in your Balance becoming negative.

7. **Personal Identification Number (PIN) / Account History.** Your PIN is a security code, which has been designed to protect your transaction account against unauthorized use. The PIN provides enhanced security for your Account and must be used when making transactions to your Account. It is your electronic signature. Since the PIN is for security purposes, you should memorize it and it should not be disclosed to anyone. You can change your PIN at any time, and a temporary hold can be placed on your Account if the PIN has been compromised or if your Debit Card is lost or stolen. Maintaining the security of your PIN and Debit Card is your responsibility.
8. **Requesting a second Debit Card attached to Account.** Current Debit Card holders who continue to meet the original Debit Card eligibility requirements may request a second Debit Card. The primary cardholder warrants and agrees that he or she will be liable for all charges incurred by the secondary cardholder to the same extent and as if they were charges made by the primary cardholder.
9. **Canceling Recurring Payments.** See Section 3 of the User Agreement for information on how to cancel a Recurring Payment. To read the User Agreement go online to [www.paypal.com](http://www.paypal.com) and click the link for legal agreements at the bottom of any page.
10. **Documentation of Transfers.**
  - c. You can get a receipt at the time you make any transfer to or from your account using your Debit Card at a Maestro/Cirrus ATM or at a point of sale.
  - d. You may access your transaction history and Balance by logging into your Account and clicking on the "History" tab. You should do this regularly to verify the activity on your account.
11. **Errors and Unauthorized Transactions.** See Section 12 of the User Agreement for information on Errors and Unauthorized Transactions. To read the User Agreement go online to [www.paypal.com](http://www.paypal.com) and click the link for legal agreements at the bottom of any page.
12. **Confidentiality.** See the Privacy Policy for information about confidentiality and disclosure of account information. To read the Privacy Policy go online at [www.paypal.com](http://www.paypal.com) and click the link for legal agreements at the bottom of any page."

## Amendment to the PayPal User Agreement

Effective Date: Feb 11, 2009

 [Print](#)

- A new section 2.4 is added to the PayPal user agreement. The new section will read as follows:

Beginning February 11, 2009 the PayPal User Agreement is being amended as follows:

### 1. A new section 2.4 is added to the PayPal user agreement. The new section will read as follows:

**"2.4 Credit Report Authorization for Premier and Business Accounts.** If you open a Premier or Business Account, you are providing PayPal with your written instructions to obtain your personal and/or business credit report from a credit bureau. PayPal may obtain your credit report: (a) when you open (or upgrade to) a Premier or Business Account, or (b) any time thereafter if PayPal reasonably believes there may be an increased level of risk associated with your Account. An increased level of risk includes, but is not limited to, a high number of chargebacks or reversals, or suspicious activity associated with your Account."

### 2. Section 12 of the PayPal user agreement is amended for clarification purposes. The new section 12 will read as follows:

#### "12. Unauthorized Transactions

##### 12.1 What does 100% protection for unauthorized transactions mean?

PayPal will cover you for the full amount of every eligible unauthorized transaction.

##### 12.2 What is an unauthorized transaction?

An unauthorized transaction is either:

- Money that was sent from your PayPal Account that you did not authorize and that did not benefit you.
  - An example of an unauthorized transaction is if someone steals your password, uses the password to access your Account, and sends a payment from your Account.
- A processing error that either incorrectly takes money from your PayPal account or incorrectly places money in your PayPal account.
  - An example of a processing error is if you send a payment and it is debited twice from your Account.

You should regularly log into your PayPal account and review your Account history to ensure that there has not been an unauthorized transaction. PayPal will also send an email to the primary email address you have provided, in order to notify you of each transaction from your Account.

##### 12.3 What are the eligibility requirements?

To be eligible for 100% protection for unauthorized transactions, you must notify us within 60 days after the unauthorized transaction first appears in your Account history. Otherwise, you will be liable for related losses that occur on day 61 and beyond, if we can prove that we could have stopped the losses had you told us in time. We will extend the 60-day time period if a good reason, such as a hospital stay, kept you from notifying us within 60 days.

Notify us as follows:

- [Use this form](#) to file an unauthorized transaction report in the PayPal Resolution Center, or
- Write to PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950, or
- Telephone PayPal Customer Service at (402) 935-7733.

When you notify us, provide us with the following information:

- Your name and email address registered to your Account, and
- A description of the suspected unauthorized transaction and an explanation as to why you believe it is incorrect or why you need more information to identify the transaction, and
- The dollar amount of the suspected unauthorized transaction.

You should immediately notify PayPal if you believe (a) there has been an unauthorized transaction or access to your Account, (b) your password or PayPal Mobile PIN has been compromised; or (c) your PayPal Debit Card or PayPal Mobile-activated phone has been lost, stolen, or deactivated. If you notify us by telephone, we may request that you send us your complaint or question in writing within 10 Business Days. Please complete the [affidavit form](#) and submit it online or send it to PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950.

#### 12.5 What happens after I notify PayPal of a suspected unauthorized transaction?

Once you notify us of a suspected unauthorized transaction, or we otherwise learn of one, we will do the following:

- We will conduct an investigation to determine whether there has been an unauthorized transaction that is eligible for coverage under this section.
- We will complete our investigation within 10 Business Days of the date you notified us of the suspected unauthorized transaction (or within 20 Business Days for point of sale or foreign initiated transactions). If we need more time, we may take up to 45 Business Days to complete our investigation (or up to 90 Business Days for point of sale or foreign initiated transactions).
  - If we decide that we need more time to complete our investigation, we will provisionally credit your PayPal Account for the amount of the suspected unauthorized transaction. You will receive the provisional credit within 10 Business Days of the date we received your notice (or within 20 Business Days for point of sale or foreign initiated transactions). This will allow you to have use of the money until we complete the investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 Business Days, we will not provisionally credit your Account.
- We will inform you of our decision within 3 Business Days after completing our investigation.
  - If we determine that there was an eligible unauthorized transaction, we will promptly deposit the full amount of the unauthorized transaction into your Account. Or, if you have already received a provisional credit, you will be allowed to retain those amounts.
  - If we decide that there was not an eligible unauthorized transaction, we will include an explanation of our decision in our email to you. If you received a provisional credit, we will remove it from your PayPal Account. You may request copies of the documents that we used in our investigation.

#### 12.6 What happens if PayPal makes a processing error?

If we discover a processing error, we will rectify the error. If the error resulted in your receiving less money than you were entitled to, PayPal will credit your Account for the difference. If the error results in you receiving more money than you were entitled to, PayPal may debit the extra funds from your PayPal Account. If the error resulted in our not completing a transaction on time or in the correct amount, we will be liable for your losses or damages directly caused by this failure, unless: (a) through no fault of ours, you did not have enough available funds to complete the transaction, (b) our system was not working properly and you knew about the breakdown when you started the transaction, or (c) circumstances beyond our control (such as fire or flood or loss of Internet connection) prevented the transaction, despite our reasonable precautions."

### Amendment to the PayPal User Agreement

Effective Date: Jan 22, 2009

 [Print](#)

- **PayPal is introducing a new shopping website that provides (a) an online directory of merchants that accept PayPal, and (b) the ability for users to search for and compare items from websites that accept PayPal.**

Beginning January 22, 2009 the PayPal User Agreement is being amended as follows:

**PayPal is introducing a new shopping website that provides (a) an online directory of merchants that accept PayPal, and (b) the ability for users to search for and compare items from websites that accept PayPal.** PayPal will add new terms and conditions to its legal agreements for merchants and businesses with the following consent:

"Merchant Consent.

By using the PayPal Services, you authorize PayPal, in its sole discretion, to display your website, logo, trademark, and any related content ("Content") in the shopping website. If you would like us to remove your Content, please contact PayPal Customer Service. The search engine is powered by TheFind.com. PayPal is not responsible for the relevancy or accuracy of the Content. "

### Amendment to the PayPal Acceptable Use Policy

Effective Date: Nov 05, 2008



- **Prohibited Activities**

Beginning November 5, 2008 the PayPal Acceptable Use Policy is being amended as follows:

Section 5 is being revised to include activities with an entry fee and a prize, including games of skill and sweepstakes. The new language is as follows:

**Prohibited Activities**

You may not use the PayPal service for activities that:

"5. involve 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, lottery tickets, other ventures that facilitate gambling, games of skill (whether or not it is legally defined as a lottery) and sweepstakes unless the operator has obtained prior approval from PayPal and the operator and customers are located exclusively in jurisdictions where such activities are permitted by law."

**Amendment to the PayPal Acceptable Use Policy**

Effective Date: Oct 31, 2008



- **Amendment to the PayPal User Agreement.**

**Amendment to the PayPal User Agreement.** This Amendment to the PayPal User Agreement is being issued to correct a mistake in the prior Amendment to the PayPal User Agreement.

**A. CORRECTION:** The Amendment to the PayPal User Agreement below announcing the newly revised PayPal's seller protection effective September 30, 2008 is incorrect. The error is that it states that the newly revised PayPal's seller protection will apply to Claims, Reversals, and Chargebacks filed beginning 09/30/08. **The purpose of this correction is to inform you that the newly revised PayPal's seller protection will apply to transactions made beginning October 31, 2008.** Please see the Amendment to the PayPal User Agreement below for the terms and conditions of the newly revised PayPal's seller protection.

**B. CORRECTION:** The Amendment to the PayPal User Agreement below announcing the newly revised protection for buyers effective September 30, 2008, is incorrect. The error is that it states that the newly revised protection for buyers will apply to Claims filed beginning 09/30/08. **The purpose of this correction is to inform you that the newly revised protection for buyers will apply to transactions made beginning October 31, 2008.** Please see the Amendment to the PayPal User Agreement below for the terms and conditions of the newly revised protection for buyers.

**Amendment to the PayPal User Agreement**

Effective Date: Oct 31, 2008



- Amendment to the PayPal User Agreement

A PayPal is going to have a newly revised seller protection policy. The new seller protection policy terms below will apply to Claims, Reversals and Chargebacks filed beginning 09/30/08.

**11.1 What is PayPal seller protection?**

Protection for Claims, Chargebacks, or Reversals based on the following reasons:

- Unauthorized Payment
- Item Not Received

Seller protection is available for transactions with buyers everywhere PayPal is accepted. Seller protection does not provide protection for Significantly Not as Described (SNAD) Claims, Chargebacks, or Reversals or for items that you deliver in person.

**11.2 How much protection is provided by PayPal seller protection?**

PayPal will protect you for the full amount of the eligible Claim, Chargeback, or Reversal and waive the Chargeback Fee, if applicable. There is no annual limit on protection.

**11.3 What happens when a buyer files a Claim, Chargeback, or Reversal?**

PayPal will place a temporary hold on the funds in your account to cover the full amount of the Claim, Chargeback, or Reversal. If PayPal determines that the payment is covered by seller protection, we will release the hold and restore your access to the funds.

If the payment is not eligible for seller protection, PayPal will remove the funds from your account and return the payment to the buyer. In addition, you will be responsible for PayPal's Chargeback Fee, if applicable.

**11.4 What are the eligibility requirements for PayPal seller protection?**

You must meet all of these requirements to be covered:

- Ship the item to the shipping address on the "Transaction Details" page.
  - You may access the "Transactions Details" page by logging into your PayPal Account, selecting

"History" and then selecting "Details" for the transaction.

- Follow the shipping requirements described below.
- Respond to PayPal's requests for documentation and other information in a timely manner.
- The transaction must be marked eligible or partially eligible for seller protection on the "Transaction Details" page.
  - If it is marked eligible, protection for both Unauthorized Payments and Item Not Received will apply. If it is marked partially eligible, protection for only Item Not Received will apply.
  - Items sold on eBay will be marked eligible even if the shipping address is marked unconfirmed. Generally, items sold on websites other than eBay will be marked eligible if the shipping address is marked confirmed and partially eligible if the shipping address is marked unconfirmed.
- The item must be a physical, tangible good that can be shipped.
- Your primary residence, as listed in your PayPal Account, must be in the United States.

#### 11.5 What are the shipping requirements?

Shipping requirements	Protection for Unauthorized Payment	Protection for Item Not Received
Proof of Shipment	x	
Proof of Delivery		x
Shipment within 7 calendar days of receipt of payment *		x

\* If the payment is for pre-ordered or made-to-order goods, shipment is required within the timeframe specified in your item listing.

#### 11.6 What is "Proof of Shipment"?

Online or physical documentation from a shipping company that includes all of the following:

- A status of "shipped" (or equivalent) and the date of shipment.
- The recipient's address, showing at least the city/state or zip code (or international equivalent).
- Official acceptance from the shipping company (for example, a postmark, a receipt, or online tracking information).

Or, if you have Proof of Delivery then you do not need Proof of Shipment.

#### 11.7 What is "Proof of Delivery"?

Online documentation from a shipping company that includes all of the following:

- A status of "delivered" (or equivalent) and the date of delivery.
- The recipient's address, showing at least the city/state or zip code (or international equivalent).
- Signature Confirmation for transactions that total \$250.00 USD or more (see Foreign Currency Equivalents below).

#### 11.8 Which shipping services provide Proof of Shipment, Proof of Delivery, and/or Signature Confirmation?

You may use any shipping service that meets PayPal's shipping requirements. The following services meet the requirements:

Shipping From	Shipping To	Value Of Items	Shipping Services
Anywhere	Anywhere	Any value	Any international shipping service that provides door-to-door tracking that is viewable online, such as those offered by UPS, FedEx, or DHL
United States	United States	Less than \$250.00 USD	USPS: any service with Delivery Confirmation
United States	United States	\$250.00 USD or more	USPS: any service with Signature Confirmation

United States	Anywhere	Less than \$250.00 USD	USPS: Priority Mail with the Customs Declaration form (tracking not available for all destinations)
United States	Anywhere	\$250.00 USD or more	USPS: Express Mail

#### 11.9 What are examples of items/transactions that are not eligible for seller protection?

- Claims, Chargebacks or Reversals for Significantly Not as Described
- Items that you deliver in person
- Intangible items, licenses for digital content, and services
- Transactions made through PayPal Direct Payment or Virtual Terminal

#### 11.10 Seller Protection Policy Definitions.

- "Chargeback" means a challenge to a payment that a buyer files directly with his or her credit card company.
- "Claim" means a challenge to a payment that a buyer files directly with PayPal.
- "Item Not Received" means a challenge from a buyer claiming that the item purchased was not received.
- "Reversal" means a challenge to a payment that a buyer files directly with his Bank, or is initiated by PayPal.
- "Signature Confirmation" means documentation that can be viewed online at the shipping company's website and indicates that the item was signed for on delivery.
- "Unauthorized Payment" means a challenge from a buyer claiming that he or she did not make the payment, and that the person who made the payment was not authorized.

#### 11.11 Foreign Currency Equivalents (\$250 USD)

350 Australian Dollar (AUD)	55,000 Hungarian Forint (HUF)	800 Polish New Zloty (PLN)
325 Canadian Dollar (CAD)	1,000 Israeli Shekel (ILS)	150 Pound Sterling – United Kingdom (GBP)
6,000 Czech Republic Koruna (CZK)	28,000 Japanese Yen (JPY)	400 Singaporean Dollar (SGD)
1,500 Danish Krone (DKK)	2,200 Mexican New Peso (MXN)	2,000 Swedish Krona (SEK)
200 Euro (EUR)	380 New Zealand Dollar (NZD)	330 Swiss Franc (CHF)
2,000 Hong Kong Dollar (HKD)	1,600 Norwegian Krone (NOK)	

B. PayPal is going to have a newly revised protection for buyers policy. The new terms below will apply to Claims filed beginning 09/30/08.

#### 13.1 How am I protected if I have a problem with a purchase?

PayPal has two programs to help protect you:

- PayPal Buyer Protection (for eligible items purchased on eBay)
- PayPal Buyer Complaint Policy (for all other items purchased on or off eBay)

#### 13.2 What types of problems are covered?

PayPal's programs help you if you encounter either of these problems:

- Item Not Received (INR)
- Significantly Not as Described (SNAD) (see definition below)

If your problem is a transaction that you did not authorize, please report the unauthorized transaction through

the [PayPal Security Center](https://www.paypal.com/security) at <https://www.paypal.com/security>.

### 13.3 PayPal Buyer Protection

#### a. What are the eligibility requirements for PayPal Buyer Protection?

You must meet all of these requirements:

- Use PayPal to purchase an eligible item on eBay.
- Pay for the full amount of the item with one payment. Items purchased with multiple payments – like a deposit followed by a final payment – are not eligible.
- Send the payment to the seller through:
  - The eBay "Pay Now" button or the eBay invoice, **or**
  - The "Send Money" tab on your PayPal account overview page by selecting "Pay for eBay Items" and entering your eBay User ID and the eBay item number.
- Open a Dispute within 45 days of the date you sent the payment – then follow the online dispute resolution process described below under Dispute Resolution.
- Keep your PayPal account in good standing.

#### b. How do I know if I'm purchasing an eligible item on eBay?

Look for the buyer protection message in the eBay listing in the right hand column under the "Buy Safely" banner. If you see this message, and you meet the eligibility requirements, then your purchase is covered by PayPal Buyer Protection. You can also view this message after you complete your purchase by logging in to your eBay account, going to "my eBay" and looking at the listing. If the listing does not include the buyer protection message, then it is not eligible for PayPal Buyer Protection.

The buyer protection message will vary based on the eBay website. Here are examples of the buyer protection message:

eBay.com (uncapped coverage)



eBay.ca (capped coverage)



#### c. How much coverage do I get with PayPal Buyer Protection?

If you see the eBay.com buyer protection message "Pay with PayPal and you're covered", and if PayPal finds in your favor on your Claim, PayPal will reimburse you for the full purchase price of the item and original shipping costs – with no cap on coverage. If the buyer protection message includes a cap on coverage (such as the message on eBay.ca above), and if PayPal finds in your favor, then PayPal will reimburse you for the full purchase price of the item and original shipping costs, up to the coverage cap specified in the buyer protection message. The amount of coverage varies based on the eBay website where the purchase is made.

PayPal will not reimburse you for the return shipping costs that you incur to return a Significantly Not as Described item to the seller or other party PayPal specifies. If the seller presents evidence that they delivered the goods to your address, PayPal may find in favor of the seller even if you did not receive the goods.

### 13.4 Dispute Resolution

If you are unable to resolve the problem directly with the seller, go to the Resolution Center and follow this process:

#### Open a Dispute.

Open a Dispute **within 45 days** of the date you made the payment for the item you would like to dispute.

#### Escalate the Dispute to a Claim.

If you and the seller are unable to come to an agreement, escalate the Dispute to a Claim **within 20 days** after opening the dispute.

You must wait at least 7 days from the date of payment to escalate a Dispute for an Item Not Received (INR), unless the Dispute is for \$2,500 or more. If you do not escalate the Dispute to a Claim within 20 days, PayPal will close the Dispute.

**Respond to PayPal's requests for information in a timely manner.**

During the Claim process, PayPal may require you to provide documentation to support your position. You may be asked to provide receipts, third party evaluations, police reports, or anything else that PayPal specifies.

**Comply with PayPal's shipping requests in a timely manner.**

For Significantly Not as Described (SNAD) Claims, PayPal may require you to ship the item back to the seller - or to PayPal - or to a third party at your expense, and to provide proof of delivery.

For transactions that total less than \$250, proof of delivery is confirmation that can be viewed online and includes: the delivery address, delivery date, and the URL to the shipping company's web site if you've selected "Other" in the shipping drop down menu. For transactions that total \$250 or more, you must get signature confirmation of delivery.

**How is the Claim resolved?**

Once a Dispute has been escalated to a Claim, PayPal will make a final decision in favor of the buyer or the seller. You may be asked to provide receipts, third party evaluations, police reports, or anything else that PayPal specifies. PayPal retains full discretion to make a final decision in favor of the buyer or the seller based on any criteria PayPal deems appropriate. In the event that PayPal makes a final decision in favor of the buyer or seller, each party must comply with PayPal's decision. PayPal may require the buyer to ship an item that the buyer claims is Significantly Not as Described back to the seller (at the buyer's expense), and PayPal may require a seller to accept the item back and refund the buyer the full purchase price plus original shipping costs. In the event a seller loses a Claim, the seller will not receive a refund on his or her PayPal or eBay fees associated with the transaction.

**13.5 PayPal Buyer Complaint Policy****a. What is the PayPal Buyer Complaint Policy?**

It is PayPal's process to help you resolve a problem with a seller through the PayPal Resolution Center for purchases that are not eligible for PayPal Buyer Protection.

The PayPal Buyer Complaint Policy is similar to PayPal Buyer Protection in that it enables buyers to file Disputes for Items Not Received (INR), or for items that are Significantly Not as Described (SNAD).

**However, recovery of any amounts is not guaranteed and is limited to the amounts that PayPal can recover from the seller's Account, even if PayPal makes a final decision in your favor.**

**b. What is the process for the Buyer Complaint Policy?**

Similar to PayPal Buyer Protection, you must file a Dispute in the PayPal Resolution Center within 45 days of the date you sent the payment. Once you have done so, you should attempt to resolve the Dispute directly with the seller.

**c. What happens if I am unable to resolve the Dispute directly with the seller?**

You may escalate the Dispute to a Claim within 20 days of the date you filed the Dispute. PayPal will make a final decision for some - but not all - Claims.

PayPal will generally make a final decision for an Item Not Received (INR) Claim, but will not make a final decision for a Significantly Not as Described (SNAD) Claim, or Claims involving the following purchases: intangible items, licenses, airline flight tickets, services, vehicles, live auctions, real estate, classified ads on eBay, or other items as determined by PayPal (collectively "Ineligible Items"). This means that unless the seller voluntarily refunds your money, you will not recover any amounts for a SNAD Claim or a Claim for an Ineligible Item filed under the Buyer Complaint Policy.

**d. What if PayPal makes a final decision in my favor?**

If PayPal makes a final decision in your favor, we will collect any available funds in the seller's PayPal balance at that time. However, recovery is not guaranteed and is limited only to the amounts that PayPal can recover from the seller's Account. Any amounts collected from the seller will be placed in your Account.

**13.6 SNAD Definition****What is Significantly Not as Described (SNAD)?**

An item is Significantly Not as Described if it is materially different than what the seller described in the item listing. Here are some examples:

- You received a completely different item. Example: You purchased a book and received a DVD or an empty box
- The condition of the item was misrepresented. Example: The listing said "new" and the item was used.
- The item was advertised as authentic but is not authentic.
- The item is missing major parts or features which were not disclosed in the listing.
- You purchased three items from a seller but only received two.

An item is **not** Significantly Not as Described if it is materially similar to the seller's item listing description. Here are some examples:

- The defect in the item was correctly described by the seller.
- The item was properly described but you didn't want it after you received it.

- The item was properly described but did not meet your expectations.
- The item has minor scratches and was listed as used condition.

### 13.7 What items are not covered by PayPal's Protection for buyers?

PayPal's protection for buyers only applies to payments for tangible, physical goods that can be shipped. Payments for intangibles, services, custom made items, airline flight tickets, eBay classified advertisements, items prohibited under our Acceptable Use Policy or licenses and other access to digital content are not eligible under PayPal's protections for buyers.

### 13.8 Relationship between PayPal's protection programs and Chargebacks

Credit card chargeback rights, if they apply, are broader than PayPal's protection programs. Chargeback rights may be filed more than 45 days after the payment, may cover unsatisfactory items even if they do not qualify as SNAD, and may cover intangible items.

You may pursue a Dispute/Claim with PayPal, or you may contact your credit card company and pursue your chargeback rights. You may not pursue both at the same time or seek a double recovery. If you have an open Dispute or Claim with PayPal, and also file a chargeback with your credit card company, PayPal will close your Dispute or Claim, and you will have to rely solely on your chargeback rights.

If PayPal does not make a final decision on your Claim until after your credit card issuer's deadline for filing a chargeback, and because of our delay you recover less than the full amount you would have been entitled to recover from the credit card issuer, we will reimburse you for the remainder of your loss (minus any amount you have already recovered from the seller).

## Amendment to the PayPal Pro/Virtual Terminal Agreement

Effective Date: Jul 09, 2008

 [Print](#)

### • Use of PayPal on eBay

Beginning July 9, 2008 the PayPal User Agreement is being amended as follows:

- Section 4.3 is amended to read as follows:

**4.3 Use of PayPal on eBay.** Sellers who offer PayPal as a payment method in their eBay listings must follow these requirements:

- Accept PayPal if the eBay listing includes PayPal as a payment method.
  - Accept all PayPal funding sources from a buyer, including but not limited to eCheck and credit cards.
  - Have a Premier or Business account or be willing to upgrade to a Premier or Business account upon receipt of a payment.
  - Accept international PayPal transactions if the eBay listing offers shipping outside the US.
  - Sellers may not charge a surcharge for accepting PayPal as a payment method.
- Section 13.1 is amended so that the Buyer Protection Programs do not cover Classified Ads on eBay.
  - Section 14.2 (Alternative Dispute Resolution) is deleted.

### • PayPal Pro / Virtual Terminal Agreement

The PayPal Pro/ Virtual Terminal agreement is being amended. Below is the amended agreement:

#### PayPal Pro / Virtual Terminal Agreement

This PayPal Pro / Virtual Terminal Agreement ("Agreement") is a contract between you (the "Merchant") and PayPal, Inc., and applies to your use of Website Payments Pro, Website Payments Pro Payflow Edition, or Virtual Terminal (the "Products"). Each of the Products includes the Services listed herein. You must read, agree with and accept all of the terms and conditions contained in this Agreement. This Agreement applies in addition to the PayPal User Agreement and any other agreements to which you have entered into with PayPal (collectively "User Agreements"). We may amend this Agreement at any time by posting a revised version on our website. The revised version will be effective at the time we post it. In addition, if the revised version includes a Substantial Change, we will provide you with 30 Days' prior notice of Substantial Change by posting notice on the "Policy Updates" page of our website. All capitalized terms not defined herein are defined in the PayPal User Agreement. This Agreement was last updated on July 9, 2008.

#### 1. Credit Report Authorization.

You understand and agree that you are providing PayPal with your "written instructions" in accordance with the Fair Credit Reporting Act, and you are authorizing PayPal to obtain your personal credit report from a credit bureau for the purpose of processing this application for Services. You further understand and agree that you are authorizing PayPal to obtain your credit report on an ongoing basis for account review purposes.

#### 2. Products and Fees (all Fees are stated in US Dollars).

All fees are stated in U.S. Dollars.

a. **Website Payments Pro:**

Services	Included or Optional	Fees	
Direct Payment API	Included	Monthly Fees \$30.00 USD	
Express Checkout		Transaction Fees	Monthly Sales Volume
		2.9% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD
		2.5% + \$0.30 USD <sup>#</sup>	\$3,001.00 USD - \$10,000.00 USD
		2.2% + \$0.30 USD <sup>#</sup>	\$10,001.00 USD - \$100,000.00 USD
		1.9% + \$0.30 USD <sup>#</sup> *	\$100,001.00 USD and over
Virtual Terminal:	Optional	Transaction Fees	Monthly Sales Volume
		3.1% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD
		2.7% + \$0.30 USD <sup>#</sup>	\$3,001.00 USD - \$10,000.00 USD
		2.4% + \$0.30 USD <sup>#</sup>	\$10,001.00 USD - \$100,000.00 USD
Risk Controls	Optional	No charge	
Recurring Payments	Optional	Monthly Fee:\$30.00 USD	
Fraud Management Filters	Included	No charge	
Advanced Fraud Management Filters	Optional	Monthly Fees \$20.00 USD + \$0.05 USD Per Direct Payment and Virtual Terminal Transaction	
** <sup>†</sup> Applies to Express Checkout			
<sup>#</sup> Merchant must complete one-time application and be approved by PayPal. Once approved, the rate is based upon the merchant's prior month's sales volume.			

b. **Website Payments Pro Payflow Edition:**

Services	Included or Optional	Fees	
Direct Payment API	Included	Monthly Fees \$30.00 USD	
Express Checkout		Transaction Fees	Monthly Sales Volume
		2.9% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD
		2.5% + \$0.30 USD <sup>#</sup>	\$3,001.00 USD - \$10,000.00 USD
		2.2% + \$0.30 USD <sup>#</sup>	\$10,001.00 USD - \$100,000.00 USD
		1.9% + \$0.30 USD <sup>#</sup> *	\$100,001.00 USD and over
Virtual Terminal:	Optional	Transaction Fees	Monthly Sales Volume
		3.1% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD
		2.7% + \$0.30 USD <sup>#</sup>	\$3,001.00 USD - \$10,000.00 USD
		2.4% + \$0.30 USD <sup>#</sup>	\$10,001.00 USD - \$100,000.00 USD

Fraud Protection Services	Optional	Basic: \$29.95 USD one time set-up \$19.95 USD month + \$0.05 USD per transaction  Advanced: \$89.95 USD one time set-up \$49.95 USD month + \$0.10 USD per transaction
Recurring Payments	Optional	\$29.95 USD month
Account Monitoring Service	Optional	\$29.95 USD one time set-up \$19.95 USD month
Buyer Authentication Service	Optional	\$150.00 USD one time set-up \$9.95 USD month + \$0.10 USD per transaction
*** Applies to Express Checkout		
* Merchant must complete one-time application and be approved by PayPal. Once approved, the rate is based upon the merchant's prior month's sales volume.		

c. **Virtual Terminal:**

Services	Included or Optional	Fees								
Virtual Terminal:	Included	Monthly Fees \$30.00 USD  <table border="1"> <thead> <tr> <th>Transaction Fees</th> <th>Monthly Sales Volume</th> </tr> </thead> <tbody> <tr> <td>3.1% + \$0.30 USD</td> <td>\$0.00 USD - \$3,000.00 USD</td> </tr> <tr> <td>2.7% + \$0.30 USD<sup>#</sup></td> <td>\$3,001.00 USD - \$10,000.00 USD</td> </tr> <tr> <td>2.4% + \$0.30 USD<sup>#</sup></td> <td>\$10,001.00 USD - \$100,000.00 USD</td> </tr> </tbody> </table>	Transaction Fees	Monthly Sales Volume	3.1% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD	2.7% + \$0.30 USD <sup>#</sup>	\$3,001.00 USD - \$10,000.00 USD	2.4% + \$0.30 USD <sup>#</sup>	\$10,001.00 USD - \$100,000.00 USD
Transaction Fees	Monthly Sales Volume									
3.1% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD									
2.7% + \$0.30 USD <sup>#</sup>	\$3,001.00 USD - \$10,000.00 USD									
2.4% + \$0.30 USD <sup>#</sup>	\$10,001.00 USD - \$100,000.00 USD									
Recurring Payments	Optional	Monthly Fee:\$30.00 USD								
Risk Controls	Optional	No charge								
Fraud Management Filters	Included	No charge								
Advanced Fraud Management Filters	Optional	\$20.00 USD Per Month + \$0.05 USD Per Direct Payment and Virtual Terminal Transaction								
* Merchant must complete one-time application and be approved by PayPal. Once approved, the rate is based upon the merchant's prior month's sales volume.										

d. **Additional Features:**

Features	Fees
Authorization Fee for each successful uncaptured Direct Payment API, or Virtual Terminal authorization	\$0.30 USD per transaction
Cross-Border Fees for Direct Payment API, Virtual Terminal, or Express Checkout transactions (for receiving payments from buyers outside the United States)	1.0% added to the Transaction Fees
Failure to use Express Checkout Fee (applies to Website Payments Pro and Website Payments Pro Payflow Edition)	Up to 1.0% added to the Transaction Fees for failure to use Express Checkout as stated in section 2(h).
Risk Factors Fee	Up to 5.0% added to the Transaction Fees if PayPal determines that your Account presents Risk Factors as stated in section 2(h).

e. **Payment of Fees Due Under This Agreement.** For Website Payments Pro and Virtual Terminal, you agree to allow PayPal to charge your PayPal Account every month in advance for fees that become due under this Agreement. For Website Payments Pro Payflow Edition, you agree to

allow PayPal to charge your credit card or bank account for fees that become due under this Agreement. In the event that PayPal is unable to withdraw the Monthly Fee from your PayPal Account, PayPal may terminate your use of the Services within 30 days of the date that the Monthly Fee was due and you will remain obligated to pay PayPal for any unpaid amounts. All Monthly Fees are non-refundable.

- f. **Promotional Period.** If you have signed up for the Services pursuant to a promotional period, you agree to pay the Monthly Fee immediately upon the expiration of a promotional period offered by PayPal.
- g. **Failure to Use Express Checkout.** If you fail to comply with the requirement to use Express Checkout, you may be subject to a fee increase resulting in up to a 1% increase to your Transaction Fees. This Fee may be included in your initial rate when you first sign up for the Services, or may be added at any time by PayPal with 30 days' prior written notice of the fee increase. You agree to terminate your usage of the Services if you do not agree to this Fee.
- h. **Risk Factors Fee.** If PayPal determines that your Account receives, or is likely to receive, a disproportionately high number of customer complaints, reversals, chargebacks, claims, fees, fines, penalties or other liability (collectively "Risk Factors"), you may be subject to a fee increase of up to 5% above your then current Transaction Fees. This Fee may be added to your initial rate when you first sign up for the Services, or may be added at any time by PayPal with 30 days' prior written notice of the fee increase. You agree to terminate your usage of the Services if you do not agree to this Fee.

### 3. Merchant Obligations.

- a. Unless you receive the express consent of the cardholder, you may not retain, track, monitor, store or otherwise use beyond the scope of the specific transaction any personal or financial Card transaction information (defined as "Data"). Data must be completely removed from your systems, and any other place where you store Data, within 24 hours after you receive an authorization decision. To the extent that Data resides on your systems and other storage locations, it should do so only for the express purpose of processing your transactions and you agree to protect it in accordance with Exhibit "A" to this Agreement, and any applicable laws. Notwithstanding the forgoing, in no event may you store Card Verification Values ("CVV") and Card Identification Data ("CID").
- b. You may not perform dynamic currency conversion. This means that you may not list an item in one currency and then accept payment in a different currency. If you are accepting payments in more than one currency, you must separately list the price for each currency.
- c. In using the Services, PayPal will permit you to accept Visa, MasterCard, American Express, Discover, and Switch Solo (collectively "Cards"). With regard to the Cards, you agree to the following:
  - i. Where you accept Cards on your website, you will display each Card's logo with equal size and prominence, and you shall not display a preference for one Card over another. You agree to comply with the logo usage standards located at: <http://www.paypal.com/cgi-bin/webscr?cmd=xpt/general/OnlineLogoCenter-outside>
  - ii. You authorize PayPal to provide information regarding your business and individual Card transactions to third parties for the purpose of facilitating the acceptance and settlement of your Card transactions and in connection with items, including without limitation, chargebacks, refunds, disputes, adjustments, and other inquiries.

### 4. Required Use of Express Checkout.

- a. In order to use PayPal Website Payments Pro or PayPal Website Payments Pro Payflow Edition, you must use Express Checkout as described herein.
  - i. You must include a PayPal Express Checkout button either: (A) before you request the shipping/billing address and other financial information from your customers or (B) on the same page that you collect such information if you only use one page for your checkout process.
  - ii. You must offer PayPal as a payment option together with the other payment options you offer for Express Checkout. The PayPal logo must be displayed with equal or greater prominence as the logos for your other payment options.
  - iii. You must provide your customers with the option of not storing their personal information, including but not limited to their email address, shipping/billing address, and financial information.

### 5. Risk Controls.

- a. Risk Controls provide you the choice of accepting transactions with a higher likelihood of risk. If you chose to adjust your Risk Controls accordingly, you are liable for all additional risk and it is your responsibility to adjust the Risk Controls to determine whether you want to accept or decline such transactions. You may adjust the Risk Controls on the Risk Controls Overview Page on the PayPal website. If you would like to remove your ability to access Risk Controls, please contact your account manager. Eligibility for Risk Controls is determined in PayPal's sole discretion.
- b. You may adjust your Risk Controls to accept certain payments, including, but not limited to
  - i. Direct Payments through the Direct Payment API and Virtual Terminal payments that are unable to verify the cardholder's address through the Address Verification Services. This is also referred to as "AVS No Match".
  - ii. Direct through the Direct Payment API and Virtual Terminal payments that do not include a card security code. This is also referred to as "Card Security Code Not Submitted".
  - iii. All payment types that failed PayPal's proprietary risk models.
- c. You may adjust your Risk Controls to decline payments, including, but not limited to:

- i. Direct Payments and Virtual Terminal payments where the address entered by the cardholder only partially matches the information stored by the issuing bank.
  - ii. Direct Payments and Virtual Terminal payments where the Address Verification Service is unsupported or unavailable at the time the payment is processed.
- d. You may adjust your Risk Controls to review and manually accept payments. Reviewing a payment prevents the funds from being transferred to your account until you review the payment. If you do not accept a payment within 30 days, it will be reversed. Note that not all payment types can be reviewed.
- e. You may not reject a transaction unless, based on various combinations of authentication information, you reasonably determine that the individual requesting the transaction is misrepresenting his or her identity.

#### 6. Fraud Management Filters.

- a. Fraud Management Filters allows you to accept transactions with a higher likelihood of risk. Since you are liable for all additional risk, it is your responsibility to adjust the Fraud Management Filters to determine whether you want to accept or decline such transactions. If you would like to restrict the ability to access Fraud Management Filters, please contact your account manager.
- b. You may adjust your Fraud Management Filters to accept, flag, review or deny certain payments, including but not limited to:
- i. Direct Payments and Virtual Terminal payments that are unable to verify the cardholder's address through the Address Verification Services. This is also referred to as "AVS No Match".
  - ii. Direct Payments and Virtual Terminal payments that do not include a card security code. This is also referred to as "Card Security Code Not Submitted".
  - iii. Direct Payments and Virtual Terminal payments that failed PayPal's proprietary risk models.
- c. You may adjust your Fraud Management Filters to accept, flag, review or deny payments, including but not limited to:
- i. Direct Payments and Virtual Terminal payments where the address entered by the cardholder only partially matches the information stored by the issuing bank.
  - ii. Direct Payments and Virtual Terminal payments where the Address Verification Service is unsupported or unavailable at the time the payment is processed.
- d. Reviewing a payment prevents the funds from being transferred to your account until you decide to accept that payment.
- e. If you do not accept a payment, that payment may be reversed after 30 days.
- f. Not all payment types will be reviewed. In cases where a payment type cannot be reviewed, the payment will be flagged instead.
- g. Rejecting Transactions. You may not reject a Transaction unless, based on various combinations of authentication information, you reasonably determine that the individual requesting the Transaction is likely not the consumer they are representing themselves to be.

#### 7. Fraud Protection Services.

You are liable for setting preferences for the PayPal Fraud Protection Services. It is your responsibility to determine which transactions the Fraud Protection Services will accept or reject based on the authentication information provided by PayPal.

#### 8. Account Monitoring Services.

PayPal does not guarantee, represent or warrant that the PayPal Account Monitoring services will discover or prevent all non-valid, fraudulent transactions. PayPal is not responsible for any non-valid transactions that are processed.

#### 9. No Warranty.

THE SERVICES AND ALL ACCOMPANYING DOCUMENTATION ARE PROVIDED TO YOU ON AN "AS IS" BASIS WITHOUT ANY WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PAYPAL MAKES NO WARRANTY THAT THE SERVICES WILL BE CONTINUOUS OR ERROR-FREE.

#### 10. Audit.

If PayPal receives an indication of a security breach or compromise of Data, PayPal may require you to have a third party auditor, approved by PayPal, conduct a security audit of your systems and facilities and issue a report to be provided to PayPal and the Card Companies. In the event that you fail to initiate an audit with 10 business days of PayPal's request, PayPal may conduct or obtain such an audit at your expense. PayPal may contact your customers, on your behalf, in the event that PayPal is investigating potential fraud.

#### 11. Reserves.

PayPal, in its sole discretion, may place a Reserve on funds held in your Account when PayPal believes there may be a high level of risk associated with your Account. If PayPal places a Reserve on funds in your Account, they will be shown as "pending" in your PayPal Balance. If your Account is subject to a Reserve, PayPal will provide you with notice specifying the terms of the reserve. The terms may require that a certain percentage of the amounts received into your Account are held for a certain period of time, or that a certain amount of money is held in reserve, or anything else that PayPal determines is necessary to protect against the risk associated with your Account. PayPal may change the terms of the Reserve at any time by providing you with notice of the new terms.

**12. Termination by Merchant.**

You may terminate your use of the Services at any time. If you terminate the Services, your use of the Service will immediately end and you will not be refunded any remainder of the Monthly Fees that you have paid for such Services.

**13. Termination by PayPal.**

We reserve the right to reassess your eligibility for this product if your business is materially different from the information you provided in your application. PayPal may terminate your use of the Services if you fail to comply with the User Agreements, in our discretion, become ineligible for the Services, or upon request by any of the Card Companies. Upon receipt of notice of termination, you agree to complete all pending Card transactions, immediately remove all logos for Cards, and stop taking new Card transactions. In the event that PayPal terminates your use of the Services, you will not be refunded the remainder of the Monthly Fees that you have paid for such Services.

**Exhibit "A" Data Security****Password and Implementation Materials**

All information provided to you by PayPal in relationship to the Services will remain the property of PayPal or its payment processor as appropriate. You agree to restrict use and access to your password and log-on ID to your employees and agents as may be reasonably necessary, and will ensure that each such employee or agent complies with all applicable provisions contained herein. You will not give, transfer, assign, sell, resell or otherwise dispose of the information and materials provided to you to utilize the Services. You are solely responsible for maintaining adequate security and control of any and all IDs, passwords, or any other codes that are issued to you by PayPal or PayPal's payment processor.

**Compliance with Data Security Requirements**

You will: (i) comply with all then-current legal obligations and guidelines, including without limitation those issued by Associations and the Federal Trade Commission, associated with the collection, security and dissemination of data on your website, and expressly including the Visa Cardholder Information Security Program (CISP) and the MasterCard Site Data Protection Program (SDP) requirements. For details log onto [www.visa.com](http://www.visa.com) and [www.mastercard.com](http://www.mastercard.com) and (ii) conspicuously post on your website a privacy policy that meets all applicable legal and Association requirements and is consistent with good business practices with respect to the collection and use of customers' personally identifiable information. You shall not store Cardholder Verification Value 2 (CV2) information or any other credit card information of any cardholder (whether received electronically or by fax or hardcopy) and will be liable for any fines for violation of such Association Rule. If you fail to comply with the requirements of this Section, we may terminate your use of the Services.

You are fully responsible for the security of data on your website or otherwise in your possession. You will: (i) comply with all then-current legal obligations and guidelines, including without limitation those issued by Visa USA, Inc., MasterCard International Incorporated or other applicable card associations (collectively, the "Associations", and the "Association Rules") and the Federal Trade Commission, associated with the collection, security and dissemination of data on your website, and expressly including the Visa Cardholder Information Security Program (CISP) and MasterCard's Site Data Protection (SDP) Program. These programs include without limitation requirements that you: maintain a network firewall, keep security patches up-to-date, encrypt stored data, maintain updated anti-virus software, restrict access to data (including physical access), maintain unique user identification, user tracking and password requirements, conduct regular testing of security systems and procedures, maintain a security information policy for employees and contractors. For details of these programs log onto [www.visa.com/cisp](http://www.visa.com/cisp) or MasterCard's SDP Program website); (ii) conspicuously post on your website a privacy policy that meets all applicable legal and Association requirements and is consistent with good business practices with respect to the collection and use of customers' personally identifiable information; and (iii) notify us of any agent, including any web hosting service, gateway, shopping cart, or other third party provider, that has access to cardholder data and ensure that such agent is compliant with all then-current legal obligations associated with the collection, security and dissemination of data; (iv) provide information or access to records as needed for us to evaluate your compliance with this section, and (v) notify us immediately of any security breach to your data records or system as it relates to your use of the Services. If you fail to comply with the requirements contained herein, or we have indication of an actual or potential security breach, we may suspend or terminate your use of the Services. If you are suspended, the notice will explain the basis for such suspension, including measures reasonably calculated to rectify the failure or security breach. The suspension will remain in effect and until such time as we are satisfied that you have cured your failure or properly addressed the security breach. You shall not store or retain PIN data, AVS data, or Card Validation Codes (three-digit values printed in the signature panel of most Cards, and a four-digit code printed on the front of an American Express Card) of any cardholder and will be liable for any fines for violation of such Association Rule. You acknowledge that in the event that we receive indication of a security breach or compromise of cardholder data relating to you, you may be required to have a third party forensic auditor certified by the Associations, conduct a security review of your systems and facilities and issue a report to be provided to us and the Associations. In the event that you fail to initiate such process after our request you authorize us to take such action, at your expense. Under certain circumstances, and contingent upon receipt of our express permission, you may utilize third parties in order to perform certain of your obligations contained herein (each such party, a "Technical Services Provider"). The data security standards set forth above apply to any Technical Service Provider that you may use to store, process or transmit Cardholder data to us. Because such Technical Service Provider must be registered with the applicable Association(s), you must (1) notify us of any Technical Service Provider that engages in, or proposes to engage in, the storing, processing or transmitting of Cardholder data on your behalf, regardless of the manner or duration of such activities and (2) ensure that all such Technical Service Providers are (A) registered with the applicable Association and (B) comply with all applicable data security standards, including, without limitation, CISP and SDP Program requirements. Your failure to comply with these requirements, or the failure of your Gateway processor to register and/or comply with applicable data security requirements, may result in fines or penalties for which you are liable and termination of this Agreement. In the event that such a Technical Service Provider is being used by you and we deem it necessary, you: (a) give us permission to register you with such Technical Service Provider, if needed; and (b) agree that you are solely responsible for your relationship with such Technical Service Provider and any data transmitted or made available to such Technical Service Provider, including complying with any requirements of such provider with respect to its services, hardware or software and obtaining any required end-user consents for transmission of data through such Technical Service Provider.

**Use of Cardholder Information**

Unless you obtain consents from us and each applicable Association, card issuing bank and Cardholder, you must not use, disclose, sell or disseminate any Cardholder information obtained in connection with a Card transaction (including the names, addresses and Card account numbers of Cardholders) except for purposes of authorizing, completing and settling Card transactions and resolving any chargebacks, retrieval requests or similar issues involving Card transactions, other than pursuant to a court or governmental agency request, subpoena or order. You shall use proper controls for and limit access to, and render unreadable prior to discarding, all records containing Cardholder account numbers and Card imprints. You may not retain or store magnetic stripe data or hardcopies containing cardholder data (including faxes) after a transaction has been authorized. If you store any electronically captured signature of a Cardholder, you may not reproduce such signature except upon our specific request. Association rules prohibit the sale or disclosure of databases containing Cardholder account numbers, personal information, or other Visa transaction information to third parties as an asset of a failed business. In such cases, transaction information is required to be returned to PayPal's processor or acceptable proof of destruction of this data provided. You are responsible for compliance with this section by any third party processor, hosting service or other agent of yours engaged in the processing or storage of cardholder data. You must notify us of any such third party so engaged, and notify us of any access to transaction data by any unauthorized person. Unless you obtain consents from us and each applicable Association, card issuing bank and cardholder, you must not use, disclose, sell or disseminate any cardholder information obtained in connection with a Card transaction (including the names, addresses and Card account numbers of Cardholders) except for purposes of authorizing, completing and settling Card transactions and resolving any chargebacks, retrieval requests or similar issues involving Card transactions, other than pursuant to a court or governmental agency request, subpoena or order. You shall use proper controls for and limit access to, and render unreadable prior to discarding, all records, in whatever format they may exist, containing Cardholder account numbers and Card imprints. You may not retain or store magnetic stripe data after a transaction has been authorized. If you store any electronically captured signature of a Cardholder, you may not reproduce such signature except upon our specific request. Association Rules prohibit the sale or disclosure of databases containing cardholder account numbers, personal information, or other Visa transaction information to third parties as an asset of a failed business. In such cases, transaction information is required to be returned to PayPal's processor or acceptable proof of destruction of this data provided.

### Amendment to the PayPal User Agreement

Effective Date: Jul 09, 2008

 [Print](#)

- **Use of PayPal on eBay**

Beginning July 9, 2008 the PayPal User Agreement is being amended as follows:

- a. Section 4.3 is amended to read as follows:

**4.3 Use of PayPal on eBay.** Sellers who offer PayPal as a payment method in their eBay listings must follow these requirements:

- i. Accept PayPal if the eBay listing includes PayPal as a payment method.
  - ii. Accept all PayPal funding sources from a buyer, including but not limited to eCheck and credit cards.
  - iii. Have a Premier or Business account or be willing to upgrade to a Premier or Business account upon receipt of a payment.
  - iv. Accept international PayPal transactions if the eBay listing offers shipping outside the US.
  - v. Sellers may not charge a surcharge for accepting PayPal as a payment method.
- b. Section 13.1 is amended so that the Buyer Protection Programs do not cover Classified Ads on eBay.
  - c. Section 14.2 (Alternative Dispute Resolution) is deleted.

### Amendment to the PayPal Privacy Policy

Effective Date: May 07, 2008

 [Print](#)

- **Amendment to the PayPal Privacy Policy**

Beginning May 7, 2008 the PayPal Privacy Policy is being amended as to the purposes for which we share personal information with other companies in the eBay Inc. corporate family. These purposes are now as follows: to provide joint content and services (like registration, transactions and customer support), to help detect and prevent potentially illegal acts and violations of our policies, and to guide decisions about these related companies' products, services and communications.

### Amendment to the PayPal User Agreement

Effective Date: May 07, 2008

 [Print](#)

- **Default Funding Sources/ Ways to Pay.**

Beginning May 7, 2008 the PayPal User Agreement is being amended as follows:

(1) Section 3.2 Default Funding Sources/Ways to Pay is being amended so that debit cards will now become a default funding source. The new language is as follows:

"3.2 Default Funding Sources/ Ways to Pay. When you make a payment, PayPal will fund your transaction in this order:

- a. Balance
- b. Instant Transfer from your bank account
- c. PayPal Credit
- d. Debit card
- e. Credit card
- f. eCheck

Note: We always use your Balance first. If you don't want to use your Balance, you can withdraw it before making a payment."

(2) Section 4.3 Use of PayPal on eBay is being amended to delete the following language:

"Sellers may not communicate to buyers that they only accept Balance/Bank Funded Payments, or will not accept Card Funded Payments. eCheck is the only Funding Source that eBay sellers are allowed to block."

The following new language will be added to section 4.3:

"Sellers may not communicate to buyers that they only accept, or will not accept, specific forms of PayPal payment."

(3) Section 9.1(d) Restricted Activities is being amended to add a restriction against using your PayPal account to sell counterfeit items.

(4) Section 10.7 Attorneys' Fees for Acceptable Use Policy Litigation/Arbitration is being deleted. The following language is being deleted:

"If either you or PayPal commence litigation or arbitration in connection with a fine or other action taken related to our Acceptable Use Policy, the prevailing party will be entitled to recover reasonable attorneys' fees and costs in addition to any other relief to which it may be entitled."

(5) Section 13.7 (b) is being amended to add the following language:

"If a buyer files a Claim for Significantly Not as Described and alleges that an item is counterfeit, PayPal may require the buyer and seller to provide affidavits and other evidence to support their positions. PayPal shall make the final determination whether to grant the buyer's claim based on the provided evidence, as well as third party evidence and evaluations. If PayPal grants the buyer's claim, the buyer must ship the item to PayPal or a third party (as directed by PayPal). PayPal, in its discretion, may require the buyer or the seller to pay for the return shipping costs. Once the item has been received by PayPal or the third party, the seller must refund the transaction amounts (including the original shipping costs) to the buyer. If PayPal grants the buyer's claim, the seller may not receive the item back."

(6) 14.4 Law and Forum for Disputes is being amended to include Omaha, Nebraska. The new language is as follows:

"14.4 Law and Forum for Disputes. Except as otherwise agreed by the parties or as described in section 14.3 above, you agree that any claim or dispute you may have against PayPal must be resolved by a court located in either Santa Clara County, California, or Omaha, Nebraska. You agree to submit to the personal jurisdiction of the courts located within Santa Clara County, California, or Omaha, Nebraska for the purpose of litigating all such claims or disputes. This Agreement shall be governed in all respects by the laws of the State of California, without regard to conflict of law provisions."

### Amendment to the PayPal User Agreement

Effective Date: Mar 14, 2008



[Print](#)

#### • eBay Item Hold

Beginning March 14, 2008, the PayPal User Agreement is being amended to include a new section 10.4 as follows:

10.4 eBay Item Hold.

eBay item hold. PayPal, in its sole discretion, may place a hold on a payment you receive for an eBay transaction when PayPal believes there may be a high level of risk associated with the transaction. If PayPal places a hold on your payment, it will show as "pending" in your PayPal Account.

Release of eBay item hold. PayPal will release the eBay item hold after 21 days unless you receive a Dispute, Claim, Chargeback, or Reversal on the transaction subject to the hold. PayPal may release the hold earlier if either of the following applies:

- (a) The buyer leaves positive feedback on eBay, or
- (b) PayPal can confirm delivery. PayPal will confirm delivery if you use USPS or FedEx to ship the item and (i) use PayPal shipping labels, or (ii) upload tracking information to PayPal via the transaction details page. This applies to US domestic transactions only.

Additional hold period. If you receive a Dispute, Claim, Chargeback, or Reversal on the transaction subject to the eBay item hold, PayPal may hold the payment in your Account until the matter is resolved pursuant to this Agreement.

### Amendment to the PayPal User Agreement

Effective Date: Mar 05, 2008



[Print](#)

- **Amendment to the PayPal User Agreement**

PayPal is amending section 10.2 of the User Agreement to allow PayPal to take the actions described in that section if PayPal has reason to believe that you have engaged in any of the Restricted Activities. The prior language allowed PayPal to take the actions described in that section if you engaged in any of the Restricted Activities.

- **Amendment to the PayPal Payment Pro and Virtual Terminal Agreement**

Effective Date: Jan 25, 2008



- **PayPal Pro / Virtual Terminal Agreement**

Beginning January 25, 2008, the PayPal PayPal Payment Pro and Virtual Terminal Agreement will be changed. Please review the new version:

**PayPal Pro / Virtual Terminal Agreement**

This PayPal Pro / Virtual Terminal Agreement ("Agreement") is a contract between you (the "Merchant") and PayPal, Inc., and applies to your use of Website Payments Pro, Website Payments Pro Payflow Edition, or Virtual Terminal (the "Products"). Each of the Products includes the Services listed herein. You must read, agree with and accept all of the terms and conditions contained in this Agreement. This Agreement applies in addition to the PayPal User Agreement and any other agreements to which you have entered into with PayPal (collectively "User Agreements"). We may amend this Agreement at any time by posting a revised version on our website. The revised version will be effective at the time we post it. In addition, if the revised version includes a Substantial Change, we will provide you with 30 Days' prior notice of Substantial Change by posting notice on the "Policy Updates" page of our website. All capitalized terms not defined herein are defined in the PayPal User Agreement.

1. Credit Report Authorization.

I understand and agree that I am providing PayPal with my "written instructions" in accordance with the Fair Credit Reporting Act, and am authorizing PayPal to obtain my personal credit report from a credit bureau for the purpose of processing this application for Services. I further understand that I am authorizing PayPal to obtain my credit report on an ongoing basis for account review purposes.

2. Products and Fees (all Fees are stated in US Dollars).

a. Website Payments Pro:

Services	Included or Optional	Fees										
Direct Payment API  Express Checkout	Included	Transaction Fees:										
		<table border="1"> <thead> <tr> <th>Rate:</th> <th>Monthly Sales Volume:</th> </tr> </thead> <tbody> <tr> <td>2.9% + \$0.30 USD</td> <td>\$0.00 USD - \$3,000.00 USD</td> </tr> <tr> <td>2.5% + \$0.30 USD</td> <td>\$3,001.00 USD - \$10,000.00 USD</td> </tr> <tr> <td>2.2% + \$0.30 USD</td> <td>\$10,001.00 USD - \$100,000.00 USD</td> </tr> <tr> <td>1.9% + \$0.30 USD*</td> <td>\$100,001.00 USD and over</td> </tr> </tbody> </table>	Rate:	Monthly Sales Volume:	2.9% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD	2.5% + \$0.30 USD	\$3,001.00 USD - \$10,000.00 USD	2.2% + \$0.30 USD	\$10,001.00 USD - \$100,000.00 USD	1.9% + \$0.30 USD*	\$100,001.00 USD and over
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Monthly Fee: \$30.00 USD												
*Applies to Express Checkout only												
Virtual Terminal	Optional	Transaction Fees:										
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Risk Controls	Optional	No charge										
Recurring Payments	Optional	Monthly Fee: \$30.00 USD										
Free Fraud Management Filters	Optional	No charge										

Advanced Fraud Management Filters	Optional	\$20.00 USD a month plus \$0.05 USD per transaction
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## b. Website Payments Pro Payflow Edition:

Services	Included or Optional	Fees														
Direct Payment API	Included	Transaction Fees:														
Express Checkout		<table border="1"> <thead> <tr> <th>Rate:</th> <th>Monthly Sales Volume:</th> </tr> </thead> <tbody> <tr> <td>2.9% + \$0.30 USD</td> <td>\$0.00 USD - \$3,000.00 USD</td> </tr> <tr> <td>2.5% + \$0.30 USD</td> <td>\$3,001.00 USD - \$10,000.00 USD</td> </tr> <tr> <td>2.2% + \$0.30 USD</td> <td>\$10,001.00 USD - \$100,000.00 USD</td> </tr> <tr> <td>1.9% + \$0.30 USD*</td> <td>\$100,001.00 USD and over</td> </tr> <tr> <td colspan="2">Monthly Fee: \$30.00 USD</td> </tr> <tr> <td colspan="2">*Applies to Express Checkout only</td> </tr> </tbody> </table>	Rate:	Monthly Sales Volume:	2.9% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD	2.5% + \$0.30 USD	\$3,001.00 USD - \$10,000.00 USD	2.2% + \$0.30 USD	\$10,001.00 USD - \$100,000.00 USD	1.9% + \$0.30 USD*	\$100,001.00 USD and over	Monthly Fee: \$30.00 USD		*Applies to Express Checkout only	
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2.7% + \$0.30 USD	\$3,001.00 USD - \$10,000.00 USD															
2.4% + \$0.30 USD	\$10,001.00 USD and over															
Fraud Protection Services	Optional	Basic: \$29.95 USD set-up \$19.95 USD a month plus \$0.05 USD per transaction Advanced: \$89.95 USD set-up \$49.95 USD a month plus \$0.10 USD per transaction														
Recurring Billing	Optional	\$29.95 USD a month														
Account Monitoring Service	Optional	\$29.95 USD set-up \$19.95 USD a month														
Buyer Authentication Service	Optional	\$150.00 USD set-up \$9.95 USD a month plus \$0.10 USD per transaction														

## c. Virtual Terminal:

Services	Included or Optional	Fees								
Virtual Terminal	Included	Transaction Fees:								
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Recurring Payments	Optional	No charge								
Risk Controls	Optional	No charge								
Free Fraud Management Filters	Optional	No charge								
Advanced Fraud Management Filters	Optional	\$20.00 USD a month plus \$0.05 USD per transaction								

## d. Additional Fees:

Authorization Fee for each successful uncaptured Direct Payment API, or Virtual Terminal authorization	\$0.30 USD
Cross-Border Fees for Direct Payment API, Virtual Terminal, or Express Checkout transactions (for receiving payments from buyers outside the United States)	1.0% added to the Transaction Fees
Failure to use Express Checkout Fee (applies to Website Payments Pro and Website Payments Pro Payflow Edition)	Up to 1.0% added to the Transaction Fees for failure to use Express Checkout as stated in section 2(h).
Risk Factors Fee	Up to 5.0% added to the Transaction Fees if PayPal determines that your Account presents Risk Factors as stated in section 1(i).

- i. Website Payments Pro and Virtual Terminal. For Website Payments Pro and Virtual Terminal, you agree to allow PayPal to charge your PayPal Account every month in advance for fees that become due under this Agreement.
- ii. Website Payments Pro Payflow Edition. For Website Payments Pro Payflow Edition, you agree to allow PayPal to charge your credit card or bank account for fees that become due under this Agreement.
- iii. In the event that PayPal is unable to withdraw the Monthly Fee from your PayPal Account, PayPal may terminate your use of the Services within 30 days of the date that the Monthly Fee was due and you will remain obligated to pay PayPal for any unpaid amounts. If you have signed up for the Services pursuant to a promotional period, you agree to pay the Monthly Fee immediately upon the expiration of a promotional period offered by PayPal. The Monthly Fee is non-refundable.
- iv. Failure to use Express Checkout Fee: If you fail to comply with section 4 of this Agreement (Usage of Express Checkout), you may be subject to fee increase resulting in up to a 1% increase to your Transaction Fees. This Fee may be included in your initial rate when you first sign up for the Services, or may be added at any time by PayPal with 30 days' prior written notice of the fee increase. In such case, if you do not agree to this Fee, you may terminate your usage of the Services.
- v. Risk Factors Fee: If PayPal determines that your Account presents, or is likely to present, a disproportionately high number of customer complaints, reversals, chargebacks, claims, fees, fines, penalties or other liability (collectively "Risk Factors"), you may be subject to a fee increase resulting in an up to 5% increase to your Transaction Fees. This Fee may be included in your initial rate when you first sign up for the Services, or may be added at any time by PayPal with 30 days' prior written notice of the fee increase. In such case, if you do not agree to this Fee, you may terminate your usage of the Services.

## 3. Merchant Obligations.

- a. Unless you receive the express consent of the cardholder, you may not retain or store personal or financial Card transaction information (defined as "Data"). Data must be completely removed from your systems and any other place where you store Data within 24 hours after you receive an authorization decision. To the extent that Data resides on your systems and other storage locations, which it should do only for the express purpose of processing your transactions, you agree to protect it in accordance with Exhibit "A" to this Agreement. Notwithstanding the foregoing, in no event may you store Card Verification Values ("CVV") and Card Identification Data ("CID").
- b. You may not perform dynamic currency conversion. This means that you may not list an item in one currency and then accept payment in a different currency. If you are accepting payments in more than one currency, you must separately list the price for each currency.
- c. In using the Services, PayPal will permit you to accept Visa, MasterCard, American Express, Discover, and Switch Solo (collectively "Cards"). With regard to the Cards, you agree to the following:
  - i. Where you accept Cards on your website, you will display each Card's logo with equal size and prominence, and you shall not display a preference for one Card over another. You agree to comply with the logo usage standards located at: <http://www.paypal.com/cgi-bin/webscr?cmd=xpt/general/OnlineLogoCenter-outside>.
  - ii. You authorize PayPal to provide information regarding your business and individual Card transactions to third parties for the purpose of facilitating the acceptance and settlement of your Card transactions and in connection with items, including without limitation, chargebacks, refunds, disputes, adjustments, and other inquiries.

## 4. Usage of Express Checkout.

- a. In order to use Website Payments Pro or Website Payments Pro Payflow Edition, you must use Express Checkout as described herein.
  - i. You must include an Express Checkout button either: (A) before you request the shipping/billing address and other financial information from your customers or (B) on the same page that you collect such information if you only use one page for your checkout process.
  - ii. You must offer PayPal as a payment option together with the other payment options you offer. The PayPal logo must be displayed with equal or greater prominence as the logos

for your other payment options.

- iii. You must provide your customers with the option of not storing their personal information, including but not limited to their email address, shipping/billing address, and financial information.

## 5. Risk Controls

- a. Risk Controls provide you the choice of accepting transactions with a higher likelihood of risk. You are liable for all additional risk and it is your responsibility to adjust the Risk Controls to determine whether you want to accept or decline such transactions. You may adjust the Risk Controls on the Risk Controls Overview Page on the PayPal website. If you would like to remove your ability to access Risk Controls, please contact your account manager. Eligibility for Risk Controls is determined in PayPal's sole discretion.
- b. You may adjust your Risk Controls to accept certain payments, including but not limited to:
  - i. Direct Payments through the Direct Payment API and Virtual Terminal payments that are unable to verify the cardholder's address through the Address Verification Services. This is also referred to as "AVS No Match".
  - ii. Direct Payments through the Direct Payment API and Virtual Terminal payments that do not include a card security code. This is also referred to as "Card Security Code Not Submitted".
  - iii. All payment types that failed PayPal's proprietary risk models.
- c. You may adjust your Risk Controls to decline payments, including but not limited to:
  - i. Direct Payments and Virtual Terminal payments where the address entered by the cardholder only partially matches the information stored by the issuing bank.
  - ii. Direct Payments and Virtual Terminal payments where the Address Verification Service is unsupported or unavailable at the time the payment is processed.

## 6. Fraud Management Filters.

- a. Fraud Management Filters allows you to accept transactions with a higher likelihood of risk. Since you are liable for all additional risk, it is your responsibility to adjust the Fraud Management Filters to determine whether you want to accept or decline such transactions. If you would like to restrict the ability to access Fraud Management Filters, please contact your account manager.
- b. You may adjust your Fraud Management Filters to accept, flag, review or deny certain payments, including but not limited to:
  - i. Direct Payments and Virtual Terminal payments that are unable to verify the cardholder's address through the Address Verification Services. This is also referred to as "AVS No Match".
  - ii. Direct Payments and Virtual Terminal payments that do not include a card security code. This is also referred to as "Card Security Code Not Submitted".
  - iii. Direct Payments and Virtual Terminal payments that failed PayPal's proprietary risk models.
- c. You may adjust your Fraud Management Filters to accept, flag, review or deny payments, including but not limited to:
  - i. Direct Payments and Virtual Terminal payments where the address entered by the cardholder only partially matches the information stored by the issuing bank.
  - ii. Direct Payments and Virtual Terminal payments where the Address Verification Service is unsupported or unavailable at the time the payment is processed.
- d. Reviewing a payment prevents the funds from being transferred to your account until you decide to accept that payment.
- e. If you do not accept a payment, that payment may be reversed after 30 days.
- f. Not all payment types will be reviewed. In cases where a payment type cannot be reviewed, the payment will be flagged instead.
- g. Rejecting Transactions. You may not reject a Transaction unless, based on various combinations of authentication information, you reasonably determine that the individual requesting the Transaction is likely not the consumer they are representing themselves to be.

## 7. Fraud Protection Services.

You are liable for setting preferences for the PayPal Fraud Protection Services. It is your responsibility to determine which transactions the Fraud Protection Services will accept or reject based on the authentication information provided by PayPal.

## 8. Account Monitoring.

PayPal does not guarantee that the PayPal Account Monitoring services will discover or prevent all non-valid, fraudulent transactions. PayPal is not responsible for any non-valid transactions that are processed.

## 9. No Warranty.

THE SERVICES AND ALL ACCOMPANYING DOCUMENTATION ARE PROVIDED TO YOU ON AN "AS IS" BASIS WITHOUT ANY WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PAYPAL MAKES NO WARRANTY THAT THE SERVICES WILL BE

## CONTINUOUS OR ERROR-FREE.

## 10. Audit.

You acknowledge that in the event that PayPal receives an indication of a security breach or compromise of Data, PayPal may require you to have a third party auditor, approved by PayPal, conduct a security audit of your systems and facilities and issue a report to be provided to PayPal and the Card Companies. In the event that you fail to initiate an audit with 10 business days of PayPal's request, PayPal may do so at your expense. You authorize PayPal to contact your customers, on your behalf, in the event that PayPal is investigating potential fraud.

## 11. Protective Actions.

- a. PayPal may, in its reasonable judgment, determine that it is necessary to collect, withhold and/or offset amounts from payments that we otherwise would make to you or require you to deposit funds with us as security for your obligations to us or third parties related to your use of the Services. Such funds are called a Reserve.
- b. Some of the events that may cause us to establish a Reserve include: (i) your ceasing a substantial portion of or adversely altering your operations; (ii) your suffering a material adverse change in your business; (iii) your becoming insolvent; (iv) our receiving a disproportionate number of chargebacks and/or buyer complaints from your customers; or (v) our reasonable belief that you will not be able to perform your obligations under the User Agreements.
- c. If an event occurs that leads us to believe that we may need to create a Reserve, then we may immediately establish a Reserve. We will inform you if we establish a Reserve. We have the right to increase or decrease the amount of the Reserve at any time; provided that the amount of the Reserve will not exceed an amount sufficient, in our reasonable judgment, to satisfy any financial exposure or risk to us or third parties related to your use of the Services (including charges submitted by you for goods or services not yet received by your customers). In the event that your account is closed for any reason, PayPal shall have the right to hold the Reserve for a period of time not to exceed 180 days. Please note that if you are enrolled in the PayPal Money Market Fund, no interest will accrue on those amounts held in the Reserve.
- d. In addition to the Reserve, we may take other reasonable actions to protect our rights, including changing the speed or method of payment for charges
- e. You must provide to us promptly upon our request, information about your finances and operations, including your most recent certified financial statements and merchant processing statements.

## 12. Termination by Merchant.

You may terminate your use of the Services at any time. If you terminate the Services, your use of the Service will immediately end and you will not be refunded the remainder of the Monthly Fees that you have paid for such Services.

## 13. Termination by PayPal.

PayPal may terminate your use of the Services if you fail to comply with the User Agreements, become ineligible for the Services, or upon request by any of the Card Companies. Upon receipt of notice of termination, you agree to complete all pending Card transactions, immediately remove all logos for Cards, and stop taking new Card transactions.

## Exhibit "A" Data Security

**Password and Implementation Materials**

All information provided to you by PayPal in relationship to the Services will remain the property of PayPal or its payment processor as appropriate. You agree to restrict use and access to your password and log-on ID to your employees and agents as may be reasonably necessary, and will ensure that each such employee or agent complies with all applicable provisions contained herein. You will not give, transfer, assign, sell, resell or otherwise dispose of the information and materials provided to you to utilize the Services. You are solely responsible for maintaining adequate security and control of any and all IDs, passwords, or any other codes that are issued to you by PayPal or PayPal's payment processor.

**Compliance with Data Security Requirements**

You will: (i) comply with all then-current legal obligations and guidelines, including without limitation those issued by Associations and the Federal Trade Commission, associated with the collection, security and dissemination of data on your website, and expressly including the Visa Cardholder Information Security Program (CISP) and the MasterCard Site Data Protection Program (SDP) requirements. For details log onto [www.visa.com](http://www.visa.com) and [www.mastercard.com](http://www.mastercard.com) and (ii) conspicuously post on your website a privacy policy that meets all applicable legal and Association requirements and is consistent with good business practices with respect to the collection and use of customers' personally identifiable information. You shall not store Cardholder Verification Value 2 (CVV2) information or any other credit card information of any cardholder (whether received electronically or by fax or hardcopy) and will be liable for any fines for violation of such Association Rule. If you fail to comply with the requirements of this Section, we may terminate your use of the Services. You are fully responsible for the security of data on your website or otherwise in your possession. You will: (i) comply with all then-current legal obligations and guidelines, including without limitation those issued by Visa USA, Inc., MasterCard International Incorporated or other applicable card associations (collectively, the "Associations", and the "Association Rules") and the Federal Trade Commission, associated with the collection, security and dissemination of data on your website, and expressly including the Visa Cardholder Information Security Program (CISP) and MasterCard's Site Data Protection (SDP) Program. These programs include without limitation requirements that you: maintain a network firewall, keep security patches up-to-date, encrypt stored data, maintain updated anti-virus software, restrict access to data (including physical access), maintain unique user identification, user tracking and password requirements, conduct regular testing of security systems and procedures, maintain a security information policy for employees and contractors. For details of these programs log onto [www.visa.com/cisp](http://www.visa.com/cisp) or MasterCard's SDP Program website; (ii) conspicuously post on your website a privacy policy that meets all applicable legal and Association requirements and is consistent with good business practices with respect to the collection and use of customers' personally identifiable information; and (iii) notify us of any agent, including any web hosting service, gateway, shopping cart, or other third party provider, that has access to cardholder data and ensure that such agent is compliant with all then-current legal obligations associated with the collection,

security and dissemination of data; (iv) provide information or access to records as needed for us to evaluate your compliance with this section, and (v) notify us immediately of any security breach to your data records or system as it relates to your use of the Services. If you fail to comply with the requirements contained herein, or we have indication of an actual or potential security breach, we may suspend or terminate your use of the Services. If you are suspended, the notice will explain the basis for such suspension, including measures reasonably calculated to rectify the failure or security breach. The suspension will remain in effect and until such time as we are satisfied that you have cured your failure or properly addressed the security breach. You shall not store or retain PIN data, AVS data, or Card Validation Codes (three-digit values printed in the signature panel of most Cards, and a four-digit code printed on the front of an American Express Card) of any cardholder and will be liable for any fines for violation of such Association Rule. You acknowledge that in the event that we receive indication of a security breach or compromise of cardholder data relating to you, you may be required to have a third party forensic auditor certified by the Associations, conduct a security review of your systems and facilities and issue a report to be provided to us and the Associations. In the event that you fail to initiate such process after our request you authorize us to take such action, at your expense.

Under certain circumstances, and contingent upon receipt of our express permission, you may utilize third parties in order to perform certain of your obligations contained herein (each such party, a "Technical Services Provider"). The data security standards set forth above apply to any Technical Service Provider that you may use to store, process or transmit Cardholder data to us. Because such Technical Service Provider must be registered with the applicable Association(s), you must (1) notify us of any Technical Service Provider that engages in, or proposes to engage in, the storing, processing or transmitting of Cardholder data on your behalf, regardless of the manner or duration of such activities and (2) ensure that all such Technical Service Providers are (A) registered with the applicable Association and (B) comply with all applicable data security standards, including, without limitation, CISP and SDP Program requirements. Your failure to comply with these requirements, or the failure of your Gateway processor to register and/or comply with applicable data security requirements, may result in fines or penalties for which you are liable and termination of this Agreement. In the event that such a Technical Service Provider is being used by you and we deem it necessary, you: (a) give us permission to register you with such Technical Service Provider, if needed; and (b) agree that you are solely responsible for your relationship with such Technical Service Provider and any data transmitted or made available to such Technical Service Provider, including complying with any requirements of such provider with respect to its services, hardware or software and obtaining any required end-user consents for transmission of data through such Technical Service Provider. PayPal and you represent, warrant and covenant that it shall at all times comply with the PCI Data Security Standards, as such may be amended from time to time, with respect to all card data received by it in connection with this Agreement.

#### Use of Cardholder Information

Unless you obtain consents from us and each applicable Association, card issuing bank and Cardholder, you must not use, disclose, sell or disseminate any Cardholder information obtained in connection with a Card transaction (including the names, addresses and Card account numbers of Cardholders) except for purposes of authorizing, completing and settling Card transactions and resolving any chargebacks, retrieval requests or similar issues involving Card transactions, other than pursuant to a court or governmental agency request, subpoena or order. You shall use proper controls for and limit access to, and render unreadable prior to discarding, all records containing Cardholder account numbers and Card imprints. You may not retain or store magnetic stripe data or hardcopies containing cardholder data (including faxes) after a transaction has been authorized. If you store any electronically captured signature of a Cardholder, you may not reproduce such signature except upon our specific request. Association rules prohibit the sale or disclosure of databases containing Cardholder account numbers, personal information, or other Visa transaction information to third parties as an asset of a failed business. In such cases, transaction information is required to be returned to PayPal's processor or acceptable proof of destruction of this data provided. You are responsible for compliance with this section by any third party processor, hosting service or other agent of yours engaged in the processing or storage of cardholder data. You must notify us of any such third party so engaged, and notify us of any access to transaction data by any unauthorized person. Unless you obtain consents from us and each applicable Association, card issuing bank and cardholder, you must not use, disclose, sell or disseminate any cardholder information obtained in connection with a Card transaction (including the names, addresses and Card account numbers of Cardholders) except for purposes of authorizing, completing and settling Card transactions and resolving any chargebacks, retrieval requests or similar issues involving Card transactions, other than pursuant to a court or governmental agency request, subpoena or order.

## Amendment to the PayPal User Agreement

Effective Date: Jan 25, 2008

 [Print](#)

- **Default Funding Sources/ Ways to Pay.**

Beginning January 25, 2008 the User Agreement will be amended as follows.

Section 3.2 and 3.3 will read:

**"3.2 Default Funding Sources/ Ways to Pay.** When you make a payment, PayPal will fund your transaction in this order:

- Balance
- Instant Transfer from your bank account
- PayPal Credit
- Credit card or debit card
- eCheck

**Note:** We always use your Balance first. If you don't want to use your Balance, you can withdraw it before making a payment.

**3.3 Preferred Funding Source.** "You can choose a Preferred Funding Source each time you make a payment or set up a Recurring Payment. Just click the link on a payment confirmation page and select your Preferred

Funding Source. We will use your Balance before your Preferred Funding Source, unless you choose PayPal Credit or eCheck. You may select PayPal Buyer Credit or PayPal Credit Card as your Preferred Funding Source for all your payments. To do so, go to your PayPal Plus Credit Card, eBay MasterCard or Buyer Credit link on the Profile tab and make the change. If you have a Balance at any time prior to a merchant processing your payment, we will use it before your Preferred Funding Source."

**Section 3.10 will read:**

**"Canceling Recurring Payments.** You may cancel a Recurring Payment at any time up to 3 Business Days prior to the date the payment is scheduled to be made. To cancel a Recurring Payment, log in to your Account, access the "My Account" tab, then access the "Profile" tab, then access the "Financial Information" column and click on "Pay List" and follow the instructions to cancel the payment. Please keep in mind that Recurring Payments are sometimes referred to as subscriptions or preapproved payments. In addition, if you cancel a Recurring Payment you may still be liable to the merchant for the payment and be required to pay the merchant through alternative means."

**Section 11.3 will read:**

**"11.3 Qualification Requirements.** In order to qualify for coverage under the Seller Protection Policy, you must meet the following requirements:

- a. You must have a Verified Business or Verified Premier Account at the time of the transaction,
- b. The transaction must be between a US, UK or Canadian buyer and a US, UK or Canadian seller,
- c. The payment must be listed as "Seller Protection Policy Eligible" on the "Transaction Details" page, or cleared by PayPal through Payment Review,
- d. You must accept a single payment from one PayPal Account for the purchase,
- e. You must not charge a surcharge for accepting PayPal,
- f. You must ship the purchased item to the address listed on the "Transaction Details" page,
- g. You must ship the item to the buyer within 7 Days of receiving payment,
- h. You must have trackable online proof of delivery from an approved shipper to the address on the "Transaction Details" page. For transactions involving \$250.00 USD or more, you must provide a proof of receipt that was signed or otherwise acknowledged by the buyer and can be viewed online. (If you paid in a currency other than US dollars, the following amounts apply for this section: \$325.00 CAD, €200.00 EUR, £150.00 GBP, ¥28,000 JPY, \$350.00 AUD, 330.00 CHF, 1,600.00 NOK, 2,000.00 SEK, 1,500.00 DKK, 800.00 PLN, 55,000 HUF, 6,000.00 CZK, \$400.00 SGD, \$2,000.00 HKD, \$380.00 NZD, and
- i. You must respond to PayPal's requests for information within the time period PayPal specifies.

Additional qualification requirement for unauthorized payments:

- a. The address on the "Transaction Details" page that you ship to must be a Confirmed Address. This requirement does not apply to Chargebacks due to non-receipt of merchandise.

Please note that in order to qualify for our Seller Protection Policy you must ship the item as required in this section. If you hand deliver an item, or provide delivery in any manner other than required in this section, your transaction will not qualify for the Seller Protection Policy."

In Section 13.7 a the first sentence will read:

"If a buyer files a Claim asserting receipt of a Significantly Not as Described item, we will generally require the buyer to return the item to the seller at the buyer's expense and to Viewable Online Proof of Delivery. If the item is over \$250.00 USD or equivalent, Viewable Online Signature Confirmation must also accompany the Viewable Online Proof of Delivery."

Section 13.7 f will read:

"If the buyer claims that the item was not received, the seller must be able to prove that the item was delivered to the address listed on the Transaction Details page by providing PayPal with a Viewable Online Proof of Delivery For transactions equal to \$250.00 USD (or the equivalent in the currency of the transaction) or more in value, the seller will also need to provide a Viewable Online Signature Confirmation".

The following new definitions will be added to section 15: "Approved Shipper", "Transaction Details Page", "Viewable Online Proof of Delivery" and "Viewable Online Signature Confirmation. The following definitions will be edited: "Chargeback", "PayPal Credit" and "Reversals".

## Amendment to the PayPal Payment Pro and Virtual Terminal Agreement

Effective Date: Oct 25, 2007

 [Print](#)

### • PayPal Payment Pro and Virtual Terminal Agreement

Beginning October 25, 2007, the PayPal Payment Pro and Virtual Terminal Agreement will be changed as follows:

(1) The opening paragraph has been revised to read as follows:

This PayPal Pro / Virtual Terminal Agreement ("Agreement") is a contract between you (the "Merchant") and PayPal, Inc., and applies to your use of Website Payments Pro, Website Payments Pro Payflow Edition, or Virtual Terminal (the "Products"). Each of the Products includes the Services listed herein. You must read, agree with and accept all of the terms and conditions contained in this Agreement. This Agreement applies in addition to the PayPal User Agreement and any other agreements to which you have entered into with PayPal (collectively "User Agreements"). We may amend this Agreement at any time by posting a revised version on our website. The revised version will be effective at the time we post it. In addition, if the revised version includes a Substantial Change, we will provide you with 30 Days' prior notice of Substantial Change by posting notice on the "Policy Updates" page of our website. All capitalized terms not defined herein are defined in the PayPal User Agreement.

(2) Section 1 has been revised to read as follows:

## 1. Products and Fees (all Fees are stated in US Dollars).

## a. Website Payments Pro:

Services	Included or Optional	Fees
	Included	
Direct Payment API		Transaction Fees:
Express Checkout		Rate:                      Monthly Sales Volume:
		2.9% + \$0.30 USD                      \$0.00 USD - \$3,000.00 USD
		2.5% + \$0.30 USD                      \$3,001.00 USD - \$10,000.00 USD
		2.2% + \$0.30 USD                      \$10,001.00 USD - \$100,000.00 USD
		1.9% + \$0.30 USD*                      \$100,001.00 USD and over
		Monthly Fee: \$30.00 USD
		*Applies to Express Checkout only
Virtual Terminal	Optional	
		Transaction Fees:
		Rate:                      Monthly Sales Volume:
		3.1% + \$0.30 USD                      \$0.00 USD - \$3,000.00 USD
		2.7% + \$0.30 USD                      \$3,001.00 USD - \$10,000.00 USD
		2.4% + \$0.30 USD                      \$10,001.00 USD - \$100,000.00 USD
Risk Controls	Optional	No charge
Recurring Payments	Optional	No charge

## b. Website Payments Pro Payflow Edition:

Services	Included or Optional	Fees
	Included	
Direct Payment API		Transaction Fees:
Express Checkout		Rate:                      Monthly Sales Volume:
		2.9% + \$0.30 USD                      \$0.00 USD - \$3,000.00 USD
		2.5% + \$0.30 USD                      \$3,001.00 USD - \$10,000.00 USD
		2.2% + \$0.30 USD                      \$10,001.00 USD - \$100,000.00 USD
		1.9% + \$0.30 USD*                      \$100,001.00 USD and over
		Monthly Fee: \$30.00 USD
		*Applies to Express Checkout only
Virtual Terminal	Optional	
		Transaction Fees:
		Rate:                      Monthly Sales Volume:
		3.1% + \$0.30 USD                      \$0.00 USD - \$3,000.00 USD
		2.7% + \$0.30 USD                      \$3,001.00 USD - \$10,000.00 USD

		2.4% + \$0.30 USD \$10,001.00 USD - \$100,000.00 USD
Fraud Protection Services	Optional	Basic: \$20.00 USD a month plus \$0.05 USD per transaction Advanced: \$50.00 USD a month plus \$0.10 USD per transaction
Recurring Billing	Optional	\$29.95 USD a month

## c. Virtual Terminal:

Services	Included or Optional	Fees										
Virtual Terminal	Included	<table border="1"> <thead> <tr> <th colspan="2">Transaction Fees:</th> </tr> <tr> <th>Rate:</th> <th>Monthly Sales Volume:</th> </tr> </thead> <tbody> <tr> <td>3.1% + \$0.30 USD</td> <td>\$0.00 USD - \$3,000.00 USD</td> </tr> <tr> <td>2.7% + \$0.30 USD</td> <td>\$3,001.00 USD - \$10,000.00 USD</td> </tr> <tr> <td>2.4% + \$0.30 USD</td> <td>\$10,001.00 USD - \$100,000.00 USD</td> </tr> </tbody> </table>	Transaction Fees:		Rate:	Monthly Sales Volume:	3.1% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD	2.7% + \$0.30 USD	\$3,001.00 USD - \$10,000.00 USD	2.4% + \$0.30 USD	\$10,001.00 USD - \$100,000.00 USD
Transaction Fees:												
Rate:	Monthly Sales Volume:											
3.1% + \$0.30 USD	\$0.00 USD - \$3,000.00 USD											
2.7% + \$0.30 USD	\$3,001.00 USD - \$10,000.00 USD											
2.4% + \$0.30 USD	\$10,001.00 USD - \$100,000.00 USD											
Recurring Payments	Optional	No charge										
Risk Controls	Optional	No charge										

## d. Additional Fees:

Authorization Fee for each successful uncaptured Direct Payment API, or Virtual Terminal authorization	\$0.30 USD
Cross-Border Fees for Direct Payment API, Virtual Terminal, or Express Checkout transactions (for receiving payments from buyers outside the United States)	1.0% added to the Transaction Fees
Failure to use Express Checkout Fee (applies to Website Payments Pro and Website Payments Pro Payflow Edition)	Up to 1.0% added to the Transaction Fees for failure to use Express Checkout as stated in section 1(h).
Risk Factors Fee	Up to 5.0% added to the Transaction Fees if PayPal determines that your Account presents Risk Factors as stated in section 1(i).

- i. Website Payments Pro and Virtual Terminal. For Website Payments Pro and Virtual Terminal, you agree to allow PayPal to charge your PayPal Account every month in advance for fees that become due under this Agreement.
- ii. Website Payments Pro Payflow Edition. For Website Payments Pro Payflow Edition, you agree to allow PayPal to charge your credit card or bank account for fees that become due under this Agreement.
- iii. In the event that PayPal is unable to withdraw the Monthly Fee from your PayPal Account, PayPal may terminate your use of the Services within 30 days of the date that the Monthly Fee was due and you will remain obligated to pay PayPal for any unpaid amounts. If you have signed up for the Services pursuant to a promotional period, you agree to pay the Monthly Fee immediately upon the expiration of a promotional period offered by PayPal. The Monthly Fee is non-refundable.
- iv. Failure to use Express Checkout Fee: If you fail to comply with section 3 of this Agreement (Usage of Express Checkout), you may be subject to fee increase resulting in up to a 1% increase to your Transaction Fees. This Fee may be included in your initial rate when you first sign up for the Services, or may be added at any time by PayPal with 30 days' prior written notice of the fee increase. In such case, if you do not agree to this Fee, you may terminate your usage of the Services.
- v. Risk Factors Fee: If PayPal determines that your Account presents, or is likely to present, a disproportionately high number of customer complaints, reversals, chargebacks, claims, fees, fines, penalties or other liability (collectively "Risk Factors"), you may be subject to a fee increase resulting in an up to 5% increase to your Transaction Fees. This Fee may be included in your initial rate when you first sign up for the Services, or may be added at any time by PayPal with 30 days' prior written notice of the fee increase. In such case, if you do not agree to this Fee, you may terminate your usage of the Services.

## Amendment to User Agreement

Effective Date: Oct 25, 2007



### • Amendment to User Agreement

Beginning October 25, 2007, the User Agreement will be amended as follows.

In section 4.4, the last sentence will read: "All payments that clear Payment Review will be Seller Protection Policy eligible if they meet the Seller Protection Policy requirements. PayPal will provide notices to you by email and/or in the Transaction History tab of your PayPal account."

In section 11.2, the last paragraph will read: "A Chargeback is covered if it was due to non-receipt of merchandise, or an unauthorized payment. A Reversal is covered if it was due to an unauthorized payment. The Seller Protection Policy does not cover sales of intangible goods, services, or licenses for digital content. PayPal Claims are not covered by the Seller Protection Policy. For more information on winning a PayPal Claim see the Buyer Protection Programs section of this agreement."

Section 13.1 d will read: "Extended Buyer Protection with PayPal Credit - Our program to reimburse Users for the full transactional amount of the items purchased using PayPal Credit."

Section 13.7 f will be added and read: "If the buyer claims that the item was not received, the seller must be able to prove that the item was delivered to the address listed on the Transaction Details page by providing PayPal with an online-tracking number that shows evidence of delivery. For transactions equal to \$250.00 USD (or the equivalent in the currency of the transaction) or more in value, the seller will also need to provide an online proof-of-receipt in the form of a signature from the recipient."

Section 13.8 a will read: "The PayPal Buyer Complaint Policy only applies to items purchased outside of eBay or eBay Express, the PayPal Buyer Protection Policy only applies to items purchased on eBay or to payments funded through your debit card and processed through the ATM debit network. To determine whether your debit card funded payment was processed through the ATM debit network, look to see if "ATM Debit" appears next to the card payment in your PayPal history log. Buyer Protection for eBay Express only applies to items purchased on eBay Express. The Extended Buyer Protection with PayPal Credit applies to items purchased using PayPal Buyer Credit, PayPal Pay Later or PayPal Credit Card through PayPal. Extended Buyer Protection with PayPal Credit does not apply to items purchased with PayPal Credit Card not through PayPal. For example: Extended Buyer Protection with PayPal Credit does not apply when you use your PayPal Credit Card to make a purchase offline. Extended Buyer Protection with PayPal Credit does not apply to payments made through PayPal Mobile, unless such payments are for eBay purchases."

In section 13.16, the last sentence will read: "Sellers who fail to respond in a timely manner to our inquiries regarding a Claim will lose the Claim and lose any right to appeal, and we will reimburse the buyer from the seller's PayPal Account."

A new "PayPal Pay Later" definition will be added to section 15. "PayPal Pay Later" will be added in sections 13.8, 13.14, 15 l, 15 w and 15 hh.

## Amendment to the PayPal Credit Agreement

Effective Date: Aug 23, 2007



### • Amendment to the PayPal Credit Agreement

Beginning August 23, 2007, PayPal will no longer be offering Promotional Financing. This means that eBay sellers will not be able to offer Promotional Financing on their eBay listings.

## Amendment to the PayPal Payment Pro and Virtual Terminal Agreement

Effective Date: Aug 23, 2007



### • Amendment to the PayPal Payment Pro and Virtual Terminal Agreement

Beginning August 23, 2007, the PayPal Payment Pro and Virtual Terminal Agreement will be changed as follows:

1. The name of the Agreement will be changed to: "PayPal Pro - Virtual Terminal Agreement."
2. The pricing for Virtual Terminal will be increased to 3.1% + .030 per transaction.
3. A new Authorization Fee will be added. The Authorization fee is .030 and will be charged for every successful authorization that is not captured.
4. PayPal will now have the discretion to increase your Transaction Fees by adding Additional Fees. In order for PayPal to add Additional Fees, PayPal will provide you with 30 days' prior notice of the fee increase. If you do not agree to the Additional Fees, you may terminate your usage of the PayPal Pro and/or Virtual Terminal Services. Additional Fees may apply as follows: (A) if you fail to comply with the terms and conditions for the Usage of Express Checkout, you may be subject to an Additional Fee resulting in a 1% increase to your Transaction Fees; and (B) if PayPal determines that your account presents a disproportionately high number of customer complaints, reversals, chargebacks, claims, fees, fines, penalties or other liability, you may be subject to an Additional Fee resulting in an up to 5% increase to your Transaction Fees.

## Amendment to Section 10 of the PayPal User Agreement

Effective Date: Aug 23, 2007



- **Amendment to Section 10 of the PayPal User Agreement**

Beginning August 23, 2007, section 10.5 of the PayPal User Agreement is being amended to allow PayPal to hold your funds for up to 180 days and fine you up to \$2,500 (increased from \$500) for the following violations of the Acceptable Use Policy.

- a. Using the Service to receive payments for any sexually oriented or obscene materials or services in violation of the Acceptable Use Policy; or
- b. Using the Service to receive payments for any narcotics, other controlled substances, steroids or prescription drugs in violation of the Acceptable Use Policy; or
- c. Using the Service to receive payments for wagers, gambling debts or gambling winnings, regardless of the location or type of gambling activity in violation of the Acceptable Use Policy; or
- d. Using the service to receive payments for tobacco products in violation of the Acceptable Use Policy.

### **Amendment to the PayPal User Agreement**

Effective Date: Aug 23, 2007



- **Amendment to the PayPal User Agreement**

Beginning August 23, 2007, PayPal will introduce Payment Review. Payment Review means that PayPal will review certain potentially high-risk transactions. If a payment is subject to Payment Review, PayPal will place a hold on the payment and provide notice to the seller to delay shipping the item. PayPal will conduct a review and either clear or reverse the payment. If the payment is cleared, PayPal will provide notice to the seller to ship the item. Otherwise, PayPal will reverse the payment and the funds will be returned to the buyer. All payments that clear Payment Review will be marked Seller Protection Policy eligible. PayPal will provide notices to you by email and/or in the Transaction History tab of your PayPal account.

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

Effective Date: Jun 07, 2007



- **Amendment to the PayPal Buyer Protection Policy**

Beginning June 7, 2007, if you make a purchase on a non-U.S. eBay website (such as www.eBay.de or www.eBay.ca), your PayPal Buyer Protection or eBay Standard Purchase Protection coverage will be based on the protection coverage offered on that non-U.S. eBay website. The PayPal Buyer Protection coverage for purchases made on www.eBay.com (U.S. website) will remain unchanged.

### **Amendment to the PayPal User Agreement**

Effective Date: Jun 07, 2007



- **Amendment to the PayPal User Agreement**

Beginning June 7, 2007, if you have a debit card attached to your PayPal account as a funding source, PayPal may process your debit card funded transactions by using either the ATM debit network or the Visa/MasterCard network. This change does not affect your use of the PayPal ATM Debit Card.

### **Foreign Transactions Fee for PayPal ATM/Debit Card and PayPal Virtual Debit Card Usage**

Effective Date: Apr 12, 2007



- **Foreign Transactions Fee for PayPal ATM/Debit Card and PayPal Virtual Debit Card Usage**

The Fees section in the PayPal user agreement will be amended to include the following fee: 1% Foreign Transaction Fee for cross border PayPal ATM/Debit Card payments or cash withdrawals, or Virtual Debit Card payments. This fee will apply even if the transaction does not require PayPal to make a currency conversion.

### **Promotional Financing Fee Increase**

Effective Date: Feb 28, 2007



- **Promotional Financing Fee Increase**

Effective for eBay payments made on or after February 28, 2007, the fees eBay sellers are charged for

Promotional Financing (in addition to standard PayPal transaction fees) will be increased as follows:

Promotional Financing Offer Used	Additional PayPal Seller Fee if paid on or after February 28, 2007
No Payments or interest if paid within 3 months	0.90%
No interest if paid within 6 months (payments required)	1.75%
No interest if paid within 12 months (payments required)	5.00%
12 months fixed payment with 12.9% APR	1.25%
24 months fixed payment with 12.9% APR	2.75%

Promotional Financing is financing on special terms that qualified eBay sellers can offer for items they are selling to customers who have PayPal Buyer Credit or PayPal Plus Credit Card.

### Amendment to the User Agreement

Effective Date: Jan 11, 2007

 [Print](#)

- **Amendment to the User Agreement**

Beginning January 11, 2007 PayPal will have a newly revised user agreement. The new user agreement will have the following sections:

1. Our Relationship With You
2. Eligibility and Types of Accounts
3. Sending Money
4. Receiving Money
5. Account Balances
6. Withdrawing Money
7. Closing your Account
8. Fees
9. Restricted Activities
10. Your Liability - Actions We May Take
11. Seller Protection Policy
12. Errors and Unauthorized Transactions
13. Disputes between Buyers and Sellers - Buyer Protection Programs
14. Disputes with PayPal
15. Definitions

The purpose of this revision is to provide concise and clearer language to help users understand PayPal's terms and conditions of use.