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PayPal Business Debit Mastercard® Cardholder Agreement

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1. Contracting Party and Scope of this Agreement

This Agreement ("Agreement") constitutes a legal agreement between you and PayPal (Europe) S.à r.l. et Cie, S.C.A. ("we" or "PayPal").

It governs the issuance and the use of your **PayPal Business Debit Mastercard**, which can be available in digital representation and/or physical form (the "Card" or “Cards”). This Agreement supplements the PayPal User Agreement that governs your use of PayPal’s services in general.

If there is any conflict between this Agreement and the PayPal User Agreement, this Agreement shall prevail.

2. Eligibility

To be eligible for the Card you need to have an Austrian PayPal Business account subject to our discretion based on risk and compliance rules and subject to the PayPal User Agreement and other applicable policies. We may reject applications for Cards at our sole discretion.

3. Receipt and Activation of Your Card.

Upon successful application, the Card will be immediately available in your PayPal Business account. If you have requested it, a physical version of the Card will be subsequently the Card will be posted to you. You must activate your Card before it can be used. You may activate the Card by calling our customer services team +43 1 206092791 (fees may apply) or online by logging into your PayPal account and following the activation instructions as outlined on our website. This Card will be issued free of charge.

4. Additional Cards

Additional Cards are not available at the moment. We will indicate on our website when additional Cards will be available.

5. Possible Uses

Your Card can be used at merchants accepting Mastercard. You can use the Card to make purchases in-store, via the Internet and over the phone. The Card can be used for cash withdrawals at ATMs bearing the Mastercard Acceptance Mark.

You may only use your Card(s) for business expenses.

6. Daily Limits on Usage

Cards are subject to the following standard daily limits on usage:

Cash withdrawals	EUR 350
Payments with your Card	EUR 6000

Your actual daily limits may vary (lower or higher) depending on our experience with you. All daily limits are subject to periodic review and are subject to change based on PayPal account history, activity, and other factors. PayPal retains sole discretion to apply and change these limits. You may login to your PayPal account to see your specific limits in effect.

7. Authorisation of Transactions

You authorize payments with your Card by

- tapping your Card against a contactless enabled reader
- inserting the Card chip and entering your Personal Identification Number (PIN)
- entering manually or requesting a merchant to initiate a transaction on the phone providing your Card number, expiry date, security code (CVC).
- swiping the magnetic stripe and signing the transaction receipt.

You cannot cancel payments which you have already authorized and to which the payee already consented to. You may be able to cancel transactions that you have authorized for a future date (including recurring transactions) by contacting the Merchant before the date on

which the payment is due to be made, or by contacting us. Further details are contained in the User Agreement.

8. Your Payment Obligation

When you use your Card(s) for a transaction, i.e. give a payment order with the Card, you are obliged to reimburse the transaction amount to us. To this end, you authorize us to debit the respective amount from your PayPal balance.

Transactions made with the Card are funded by your PayPal EUR balance. To ensure that your PayPal balance is sufficient to cover transactions you make with the Card, PayPal can automatically add funds ("backup funding") to your balance by transferring the required funds from your bank account that is linked to your PayPal account (your "Backup Funding Source") whenever your available balance is less than the transaction amount. PayPal cannot top up your PayPal balance using a linked credit Card. You can toggle the backup funding feature 'on' or 'off' in your PayPal account settings.

If you disable the backup funding feature or delete your linked bank account from your PayPal account, any Card transaction that exceeds your available PayPal EUR balance will be declined.

To the extent that there is no or insufficient balance available to fund a transaction, you hereby authorize PayPal to draw the amount from your bank account via direct debit, to credit this amount in your PayPal balance and to use it immediately to fund that transaction.

We will prioritize your PayPal balance for a payment with PayPal and only draw the amount from your bank account via direct debit to the extent that the balance is insufficient.

9. Cash Withdrawals

The Card enables you to withdraw cash from the EUR balance on your PayPal account at

- an Automated Teller Machine (**"Withdrawal at an ATM"**) and
- a point of sale provided the merchant offers this possibility and subject, among other requirements, to limits which PayPal may set ("**Cash at Checkout**").

You may withdraw cash in an amount up to your daily limit (see section 6 of this Agreement).

You may only withdraw cash from your PayPal balance at an ATM but cannot withdraw from your bank account linked with your Card(s). However, you may get Cash at Checkout if your PayPal balance isn't enough to cover the total transaction amount (purchase amount + cash amount) and if backup funding is enabled (see section 8 of this Agreement).

You can withdraw no more than EUR 200.00 per purchase when you withdraw Cash at Checkout.

10. No Use of Your Non-EUR- Balance

It is possible to maintain balances in different currencies in your PayPal account. However, balances in currencies other than EUR (that were in your PayPal account prior to the transaction) will not be used to fulfil your payment obligation pursuant to section 8.

Example: You have a US dollar balance in your PayPal account. If you make a payment with your Card to a merchant in the US, we will not use this US dollar balance. US dollar transaction amount will be converted to EUR and we will only use your EUR balance in your PayPal Account and possibly the EUR amount which we pull from your bank account via direct debit for the payment. (see section 8).

11. Fees, Currency Conversion and Statements

a. **Cash withdrawal fee**
You agree to pay a fee **for each cash withdrawal.** This fee applies to cash withdrawals at an ATM (inside and outside Austria). The ATM provider may charge additional fees.

b. **No transaction fees**
We do **not** charge any fees for payments with your Card(s). However, if a **direct debit payment fails or is reversed**, we are entitled to damages subject to the conditions in the PayPal User Agreement.
In particular, we neither charge a fee for international transactions nor a currency conversion fee for payments with your Card(s).

c. **Currency Conversion**
In case the payment or cash withdrawal with your Card involves a currency conversion, Mastercard's foreign exchange rates will apply. The exchange rate that is applied will usually be the rate on the date that the transaction was authorized. However, in certain circumstances, the exchange rate that is applied may be the rate on the date when the transaction is processed by Mastercard's systems, which may be different to the exchange rate on the date of the transaction. PayPal does not charge currency conversion fees. Please see Mastercard Currency Conversion Calculator for Mastercard's rates. Currency conversion charges as a percentage mark-up over reference rates issued by the European Central Bank can be found here.
PayPal is not obliged to send you messages pursuant to art. 3a (5) Cross-Border Fee Regulation (Regulation (EC) No 924/2009).

d. **Statements**

We will provide an electronic statement each month with all your payment transactions that you made by using the Card.

12. Cashback Program

a. Cashback

PayPal provides 0.5% cashback on the Net Amount of Eligible Payments with your Card(s). This means 0.5% of the Net Amount of your Eligible Payments with your Card(s) will be credited to your PayPal account as weekly payouts.

From time to time, we might increase the cashback rate (for example to 1%) for a limited period of time. We will announce such promotional campaigns with an increased cashback rate (including eligibility criteria) in email and/or on our website to you.

Net Amount means the payment amount less the PayPal fees applicable to the payment.

Eligible Payments are all transactions with your Card(s) except for

- payments which are reversed (such as returns) or refunded;
- returns and refunds;
- fraudulent transaction or other transactions in violation of the PayPal User Agreement, PayPal's Acceptable Use Policy or this Agreement
- withdrawals (withdrawals at an ATM and Cash at Checkout).

PayPal uses a "round half up" approach to calculate reward amounts for individual payments. Cashback calculation examples:

- EUR 10.00 purchase transaction => EUR 0.05 cashback
- EUR 10.99 purchase transaction => EUR 0.05 cashback
- EUR 11.00 purchase transaction => EUR 0.06 cashback

b. Enrollment and Availability of the Cashback Program

Your new Card and replacement Cards (lost or stolen use case) are auto enrolled to the Cashback Program.

c. PayPal Account Closure or Termination of this Agreement

If you close your PayPal account, you will not be eligible to receive Cashback for the month in which you close your PayPal account. However, if you cancel your Card or terminate this Agreement, you will still be eligible to receive Cashback for the eligible transactions that are completed in the month in which you close your Card or terminate this Agreement.

13. Execution Times

The payment is initiated by the payee, namely the merchant.

If we receive the payment order on a business day after 4:00 pm Austrian local time, then the payment order is deemed to be received on the next business day. Execution times (as defined below) only start running at the point of time that a payment order is deemed to be received.

After receipt of the payment order with PayPal, PayPal is obliged to ensure that the transaction amount is received by the payment service provider of the payment service recipient at the latest as follows:

Type of payment	Execution times
Payments in Euro within the European Economic Area	No longer than one business day
Payments in a different currency of the European Economic Area other than Euro within the European Economic Area	No longer than four business days
Payments outside of the European Economic Area regardless of the currency	The payment is executed as soon as possible

14. **Authorization Holds**

When you use your 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 PayPal balance for up to thirty (30) 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 PayPal account. If you authorize a transaction and then fail to make a purchase of that item as planned, the approval may result in a hold for that amount of funds for up to thirty (30) days. All transactions that involve incremental adjustment to preauthorization will result in a hold for that amount of funds for up to another thirty (30) days from the

adjustment date. 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.

15. Card Expiry

Upon expiry of your Card, PayPal will usually automatically issue a new Card for you. Please contact us if upon expiry your Card has not been renewed and you wish to renew it: +43 1 206092790 (fees may apply).

16. Your Obligations: Protecting Your Card and PIN

You are obliged to comply with the following obligations:

a. Take all reasonable precautions to protect your Card, your PayPal account and PIN from unauthorized access by a third party. If you lose your Card or if your Card is stolen, you must inform us immediately.

b. You are **not** allowed to

- enable a third party to use your Card;
- share your PayPal password or PIN with any other person (except for licensed payment initiation or payment account services);
- write down your PIN on your Card or any material stored with or near your Card.

17. Notification Requirement in case of Unauthorised Use of your Card

Should you notice or suspect that you have lost your Card or other device or notice or suspect an unauthorized use of your Card, you must notify us immediately.

To this end, you can log in to your PayPal account and report the Card(s) as stolen, contact PayPal's customer service or call: +43 1 206092790 (fees may apply).

18. PayPal's liability for unauthorized transactions

1. In the event of an unauthorized payment with your Card, PayPal is required to refund the transaction amount to your PayPal account to the extent that the amount has already been debited from your PayPal account. If the amount has not yet been debited, PayPal will not charge your PayPal account.
2. Section 18 (1) does not apply if you are liable pursuant to section 19 of this Agreement (see below).
3. Section 18 (1) does not apply if you did not inform PayPal about the unauthorized transaction at the latest within 13 months after the day on which the transaction was performed.

19. Your liability in case of unauthorized transactions

1. You are liable to PayPal for the reimbursement of all damages incurred by PayPal as a result of the unauthorized payments with your Card if
   - You acted fraudulently, or
   - You violated one of the obligations pursuant to sections 16 and 17 of this Agreement intentionally or as a result of gross negligence, and if this violation enabled the unauthorized transaction.
2. Section 19 (1) does not apply if you could not notify PayPal pursuant to section 17 because PayPal did not provide for the possibility to receive such notices.
3. Section 19 (1) does not apply if no strong customer authentication was performed despite such an obligation applying by law.
4. As soon as you have fulfilled your obligation pursuant to section 17, you are not liable for damages incurred by PayPal after your notification. This does not apply if you acted fraudulently.

20. Refunds for Card transactions initiated by or through the payee

1. You are entitled to a refund from PayPal of an authorized Card payment which was initiated by or through a payee and which has already been executed if all the following conditions are met:

   a. The authorization did not specify the exact amount of the Card payment when the authorization was made.

   b. The amount of the Card payment exceeded the amount that you could reasonably have expected taking into account previous spending pattern and relevant circumstances of the case.

   c. You have requested the refund within a period of eight weeks from the date on which the funds were debited in your PayPal account.

You shall bear the burden of proving that such conditions are met. The refund will consist of the full amount of the executed Card payment.

2. You do not have a right to a refund where:

   a. You have given consent to execute the Card payment directly to PayPal

   b. where information on the future Card payment was provided to you for at least four weeks before the due date by PayPal or by the payee; and

   c. if the payment in question was higher than you reasonably expected to pay due to a change in any currency exchange rate.

3. Within ten business days of receiving a request for a refund, PayPal will either refund the full amount of the payment transaction or provide a justification for refusing the refund.

21. Actions we may take in case of violations of PayPal's terms and PayPal's right to restrict the use of the Card

We may block, restrict, suspend or terminate your Card at any time without notice and for any reason.

We may suspend or permanently suspend your use of your Card(s),

- if you violate the PayPal User Agreement, in particular by engaging in the Restricted Activities set out in the PayPal User Agreement;
- or violate this Agreement;

Please see the sections relating to Restricted Activities and the actions which PayPal may take set out in the PayPal User Agreement as they also apply to transactions with your Card.

22. Property of the Cards

The Cards remain our property. We may ask you to return or destroy your Card(s) (for example when this Agreement is terminated by you or us).

23. No Assignment

Your Card(s) and your obligations under this Agreement may not be assigned.

24. Changes to this Agreement

We may change this Agreement with two months' prior notice subject to the conditions in the PayPal User Agreement.

25. Your Right to Terminate

You may terminate this Agreement, i.e. your Card, at any time. To cancel your Card, you may contact our customer services at +43 1 206092790 (fees may apply) or you may cancel online by logging into your PayPal account.

26. PayPal's Right to Terminate

We may terminate this Agreement with two months' prior notice. Moreover, PayPal is entitled to terminate these Terms of Use as well pursuant to the conditions in the PayPal User Agreement.

27. Privacy

PayPal's Privacy Statement also applies to the use of your Card(s).

28. Disputes

For any disputes or issues with PayPal or this service, please refer to the Disputes section in the User Agreement.

29. Additional Terms in the PayPal User Agreement

In addition to this Agreement, your use of the Card(s) is governed by PayPal's User Agreement (including PayPal's Acceptable Use Policy). You will for example find provisions and information about the applicable law, jurisdiction, arbitration, limitations of liability, language of the contract, etc.

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