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# PayPal Data Protection Addendum for Card Processing Products

Last Update: 1 November 2023

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This PayPal Data Protection Addendum for Card Processing Products (this “Addendum”) applies to any product, service or other offering where a member of the PayPal Group (“PayPal”) is providing card processing, gateway and/or fraud protection services (the “Payment Services”) to you, the Merchant (the “Merchant” or “You”). This Addendum does not apply to PayPal wallet services such as pay with PayPal or PayPal’s pay later offers. This Addendum shall form part of the relevant agreement between Merchant and PayPal which governs PayPal’s provision of the Payment Services to you (the “Agreement”). In the event there is any conflict between the terms of this Addendum and the Agreement, the terms of this Addendum shall control. Capitalized terms used but not defined in this Addendum shall have the meaning set out in the Agreement.

This Addendum is effective as of the later of (i) the effective date specified in the Agreement or (ii) the effective date stated in the notice posted or provided to you in connection with this Addendum. We may amend this Addendum from time to time. The revised version will be effective at the time we post it on our website, unless otherwise noted. If our changes reduce your rights or increase your responsibilities, we will post a notice on the “Policy Updates” page of our website within the timeframe required by the Agreement. If you do not agree with any change to this Addendum, you may discontinue your use of the Payment Services at any time.

## Definitions

The following terms have the below meanings when used in this Addendum:

**“Controller”** means an entity that *determines the purposes and means of the processing of Personal Data, or, if such term (or terms addressing similar functions) is defined in Data Protection Law, “Controller” shall have the meaning as defined in the applicable Data Protection Law.*

**“Customer”** means your customers who use the Payment Services and for the purposes of this Addendum, are data subjects.

**“Customer Data”** means the Personal Data that (i) the Customer provides to Merchant and Merchant passes on to PayPal through the use by Merchant of the Payment Services and (ii) PayPal may collect from the Customer’s device and browser through use by Merchant of the Payment Services.

**“Data Protection Laws”** means any applicable data protection laws, regulations, directives, regulatory requirements and codes of practice applicable to the provision of the Payment Services including any amendments thereto and any associated regulations or instruments (e.g., the California Consumer Privacy Act 2018, Cal. Civ. Code § 1798.100 et seq, the General Data Protection Regulation (EU) 2016/679 (GDPR), the United Kingdom General Data Protection Regulation (“UK GDPR”), the UK Data Protection Act 2018, the Australian Privacy Act 1988 (Cth) the Personal Information Protection and Electronic Documents Act (Canada), the Personal Data (Privacy) Ordinance (Cap.486) (Hong Kong), the Brazilian General Data Protection Law, Federal Law no. 13,709/2018 and the Personal Data Protection Act 2012 (Singapore)).

**“PayPal Group”** means PayPal, Inc. and all companies in which PayPal or its successor directly or indirectly from time to time owns or controls.

**“Personal Data”** means any information relating to an identified or identifiable natural person (a “data subject”); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

**“Process”** or terms addressing similar functions when used in this Addendum shall have the meaning as defined in the applicable Data Protection Laws.

## **PayPal As a Controller**

PayPal shall comply with the requirements of the Data Protection Laws applicable to Controllers in respect of the Processing of Customer Data under this Schedule (including without limitation, by implementing and maintaining at all times all appropriate security measures in relation to the Processing of Customer Data) and shall not knowingly do anything or permit anything to be done with respect to the Customer Data that likely would lead to a breach by Merchant of the Data Protection Laws. PayPal shall only transfer Customer Data to third parties, sub-processors or members of the PayPal Group who shall sign written agreements which contain terms for the protection of Customer Data, which are no less protective than the terms set out in this Addendum.

**Processing of Customer Data in Connection with the Payment Services**

The parties acknowledge and agree that Merchant and PayPal are each independent Controllers in respect of all Customer Data Processed in connection with the Payment Services. As such, PayPal independently determines the purpose and the means of the Processing of such Customer Data and is not a joint Controller with Merchant with respect to such Customer Data.

The parties acknowledge and agree that PayPal is permitted to use, reproduce and Process Customer Data and payment transaction data for the following limited purposes:

- as reasonably necessary to provide and improve the Payment Services to Merchant and its Customers, including fraud protection tools;
- to monitor, prevent and detect fraudulent payment transactions and to prevent harm to Merchant, PayPal and to third parties,
- to comply with legal or regulatory obligations applicable to the Processing and retention of payment data to which PayPal is subject, including applicable anti-money laundering and identity verification obligations;
- to analyze, develop and improve PayPal’s products and services;
- internal usage, including but not limited to, data analytics and metrics;
- to compile and disclose Customer Data and payment transaction data in the aggregate where your individual or user Customer Data is not identifiable, including calculating your averages by region or industry;
- complying with applicable legal requirements and assisting law enforcement agencies by responding to requests for the disclosure of information in accordance with laws; and
- any other purpose that it notifies Merchant so long as such purpose is in accordance with Data Protection Laws.

**Merchant Notice to Customers**

Merchant shall use commercially reasonable efforts to (i) notify Customers in their privacy policy that PayPal is an independent Controller for the purpose of Processing Customer Data as described in this Addendum and (ii) include a link to the PayPal privacy statement in Merchant’s privacy policy.

**Mutual Assistance**

The parties agree to co-operate with each other to the extent reasonably necessary to enable the other party to adequately discharge their responsibility as an independent Controller under Data Protection Laws. The parties agree that to the extent Merchant receives a subject access request or any exercise by a Customer of its rights under Data Protection Laws, Merchant shall respond to such Customer’s access request directly. Merchant also shall inform the Customer that they may exercise their data subject rights in connection with the Payment Services with PayPal according to the instructions described in the Privacy Statement available at [www.paypal.com](http://www.paypal.com). In addition, if in connection with any security incident, PayPal determines in its sole decision that it must notify affected Customers and PayPal does not have the necessary contact information about an affected Customer to make such communication, then Merchant shall use commercially reasonable efforts to provide PayPal with information about Customer that Merchant may possess for the limited purpose of PayPal’s compliance with applicable notification obligations regarding affected Customers under Data Protection Laws.

**Cross Border Data Transfers**

The parties agree that PayPal may transfer Customer Data Processed under this Agreement outside the country where it was collected as necessary to provide the Payment Services. If PayPal transfers Customer Data protected under this Addendum to a jurisdiction for which the applicable regulatory authority for the country in which the data was collected has not issued an adequacy decision, PayPal will ensure that appropriate safeguards have been implemented for the transfer of Customer Data in accordance with applicable Data Protection Laws. For example, and for purposes of compliance with the GDPR, we rely on Binding Corporate Rules approved by competent supervisory authorities and other data transfer mechanisms for transfers of Customer Customer Data to other members of the PayPal Group. For transfers of Customer Data from the UK, we rely on the UK Addendum approved by the Information Commissioner to the EU standard contractual clauses.

**Status disclosure**

PayPal UK Ltd is authorised and regulated by the Financial Conduct Authority (FCA) as an electronic money institution under the Electronic Money Regulations 2011 for the issuance of electronic money (firm reference number 994790), in relation to its regulated consumer credit activities under the Financial Services and Markets Act 2000 (firm reference number 996405) and for the provision of Cryptocurrency services under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (firm reference number 1000741). Some of PayPal UK Ltd’s products including PayPal Pay in 3 and PayPal Working Capital are not regulated by the FCA. PayPal UK Ltd’s company number is 14741686 and its registered address is Whittaker House, Whittaker Avenue, Richmond-Upon-Thames, Surrey, United Kingdom, TW9 1EH.

