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PayPal Cryptocurrency Terms and Conditions (“Cryptocurrency Terms”)

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Effective Date: 1 November 2023

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.

These Cryptocurrency Terms are between you and PayPal U.K. Ltd (“**PayPal**”, “we”, “our” or “us”)

Buying and selling Cryptocurrencies is inherently risky and speculative. You could lose the entire amount you have paid as the value of Cryptocurrencies is very volatile and unpredictable. The value of Cryptocurrencies can change a lot, including going up or down significantly in a short amount of time, and it may not be possible to buy or sell them when you want to. It is hard to value Cryptocurrencies reliably. You must only buy the value of Cryptocurrencies which makes sense for your budget and which you can afford to lose.

You must read about all the risks including those set out in the section “[Risks of Cryptocurrencies](#)” before deciding to buy, hold or sell Cryptocurrencies.

Our Cryptocurrency service is not regulated by the UK Financial Conduct Authority (“FCA”). It is not within the jurisdiction of the UK Financial Ombudsman Service (“FOS”) and it is not subject to protection under the UK Financial Services Compensation Schemes.

There may be tax implications and tax reporting obligations for you if you buy or sell Cryptocurrencies. You (and not PayPal) are fully responsible for those implications and obligations.

We offer you the ability to Buy, Sell and Hold Cryptocurrencies. When you Buy Cryptocurrencies, you will not receive actual Cryptocurrencies in your Cryptocurrencies Hub. Instead you are buying rights in the Cryptocurrencies, which we will hold through arrangements that we have with other PayPal group companies and third party providers of crypto services – who we call Service Providers in this agreement. The Cryptocurrencies that you buy will be held via PayPal group companies and Service Providers in an omnibus account – which means they are pooled with the Cryptocurrencies of other customers. We act for you as trustee in relation to the Cryptocurrencies, and hold your rights in these Cryptocurrencies on your behalf and separate from our own assets. You should read the terms on how you Buy, Sell and Hold Cryptocurrencies and make sure that you understand what rights and protections that you have.

You currently are not able to send Cryptocurrencies to family or friends, use Cryptocurrencies to pay for goods or services, transfer Cryptocurrencies from your Cryptocurrencies Hub to an external cryptocurrency wallet, or transfer Cryptocurrencies into your Cryptocurrencies Hub from an external cryptocurrency wallet.

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DEFINITIONS

“Buy”	means you purchase rights in respect of Cryptocurrencies, including rights against PayPal group companies through whom PayPal arranges for these Cryptocurrencies to be Held as described under the section “Holding Cryptocurrencies”. When we refer to “Buying” or “Purchasing” Cryptocurrencies (or any related expression) we refer to the meaning set out in this section.
“Cryptocurrencies”	means the rights in particular digital currencies that you may Buy, Sell and Hold through your Cryptocurrencies Hub. The list of Cryptocurrencies available via PayPal at any given time can be found in your Cryptocurrencies Hub.
“Cryptocurrencies Hub”	means the part of your PayPal Account where PayPal will facilitate your Buying, Selling, Holding and learning about Cryptocurrencies.
“Hold”	means you hold rights in respect of the Cryptocurrencies which we arrange to be held through a Service Provider and PayPal group companies, as described under the section “Holding Cryptocurrencies”. When we refer to “Holding” Cryptocurrencies (or any related expression) we refer to the meaning set out in this section.
“PayPal Account”	means your account with PayPal that you have opened pursuant to the PayPal User Agreement.
“PayPal group companies”	The companies which are affiliates of or subsidiaries of PayPal Holdings, Inc, the ultimate parent company of PayPal UK Ltd.
“PayPal User Agreement”	means the terms and conditions which govern the use of your PayPal Account and PayPal services set out in the PayPal User Agreement .
“Sell”	means you sell rights in respect of the relevant Cryptocurrency you Hold as described under the section “Holding Cryptocurrencies”. When we refer to “Selling” Cryptocurrencies (or any related expression) we refer to the meaning set out in this section.
“Service Provider”	means an appropriately licensed provider of cryptocurrency trading and/or custody services that we will use from time to time (and a reference to “Service Provider” is a reference to each “Service Provider” if there is more than one).

CRYPTOCURRENCY TERMS

These Cryptocurrency Terms govern your use of the Cryptocurrencies Hub. By accessing and using the Cryptocurrencies Hub, you agree to comply with these Cryptocurrency Terms and also these agreements and policies as updated from time to time: [PayPal User Agreement](#), [Privacy Statement](#) and [Acceptable Use Policy](#).

Please carefully read these Cryptocurrency Terms and each of the other agreements and policies that apply to you. As your Cryptocurrencies Hub is part of your PayPal Account, and we will provide electronic money and payment services to you to facilitate our Cryptocurrency service the [PayPal User Agreement](#) applies to your Cryptocurrencies Hub, except as described in these Cryptocurrency Terms. If there is any conflict between the [PayPal User Agreement](#) and these Cryptocurrency Terms, these Cryptocurrency Terms will govern and apply. Your rights under the [PayPal User Agreement](#), including in respect of complaints, will only apply in respect of the electronic money and payment services that we provide to you and not in respect of our Cryptocurrencies services.

We may update these Cryptocurrency Terms from time to time.

The types of changes that we may make to these Cryptocurrency Terms may include, for example:

- editorial or clarificatory changes, such as updating names of products, correcting typographical errors or other obvious mistakes or changes to text to improve transparency;
- changes made because of a change in applicable laws;
- when introducing new products, features or services or improving existing ones;
- when further enhancing the security of our services; or
- to respond to any other change that affects how we wish to deliver our service to you.

If we make a change to these Cryptocurrency Terms that impacts our contractual relationship with you or the nature of the services we provide to you, we will provide notice to you of at least two months. We will post a notice on the [Policy Updates](#) page of our website and/or send a notice by email or notify you by other means. We may make changes more quickly if a change is required under applicable law or the change relates to the addition of a new service, extra functionality or any other change which we believe in our reasonable opinion to neither reduce your rights nor increase your responsibilities (including editorial or clarificatory changes). You can review the most current version of these Cryptocurrency Terms at any time by reviewing our websites.

Changes to these Cryptocurrency Terms will take effect on the date of expiry of the notice period (where a notice period applies) or on the date when the change is made (where a notice period does not apply).

By continuing to use our services after any changes take effect, you will be deemed to have accepted the change. If you do not agree to any change and do not wish to use the services under the revised Cryptocurrency Terms, you must Sell your Cryptocurrencies and stop accessing your Cryptocurrencies Hub before the changes come into effect. You may have tax reporting and tax payment obligations as a consequence of Selling your Cryptocurrencies.

Unless otherwise agreed, the Cryptocurrencies Hub is not available for a business or merchant PayPal Account. You can only use the Cryptocurrencies Hub if you have a PayPal Account in good standing.

SUPPORT, COMPLAINTS AND CONTACTING US

If you have other questions or concerns regarding your Cryptocurrencies Hub, your Cryptocurrencies, our Service Provider, or any related transactions or account activity, please [contact us \(paypal.com\)](#) or call: 0800 358 7911 (or local rate number 0203 9017 000). For complaints please contact us via <https://www.paypal.com/uk/smarthelp/complaints>. You can also write to: PayPal UK Ltd, Attn: Cryptocurrency Support, Whittaker House, Whittaker Avenue, Richmond-Upon-Thames, Surrey, United Kingdom, TW9 1EH.

YOUR CRYPTOCURRENCIES HUB

You may Buy, Sell and Hold Cryptocurrencies through your Cryptocurrencies Hub. Before you are first able to access your Cryptocurrencies Hub, we must identify you and verify or have previously verified identifying information that you provide to us. You must provide us with your: full name (first, middle and last names), primary residential address and date of birth. We may require additional information and documents from you from time to time to verify the required identifying information, such as a copy of your passport, tax identification details, or photocard driving licence and/or evidence of your residency, like a utility bill.

We will automatically link your Cryptocurrencies Hub to your personal PayPal Account. Your login details for your personal PayPal Account allow you to access your Cryptocurrencies Hub as part of your PayPal Account.

If you no longer want to make use of the Cryptocurrencies Hub but want to keep your PayPal Account open, you can use your PayPal Account without using your Cryptocurrencies Hub once you have Sold your Cryptocurrencies.

You must Sell any Cryptocurrencies in your Cryptocurrencies Hub before closing your PayPal Account. If you do not have any Cryptocurrencies in your Cryptocurrencies Hub when you close your PayPal Account, then when you close your PayPal Account, your access to your Cryptocurrencies Hub will automatically stop.

You can close your PayPal Account (including your Cryptocurrencies Hub) at any time in accordance with the [PayPal User Agreement](#) but you will remain liable for all obligations existing under these Cryptocurrency Terms prior to closure of your PayPal Account. **You will not be able to transfer Cryptocurrencies from your Cryptocurrencies Hub to another cryptocurrency wallet; you will have to Sell your Cryptocurrencies to obtain the proceeds by following the instructions on Withdrawal of Funds.**

You can view more information about what happens if PayPal closes your Cryptocurrency Hub in the section [“PayPal Suspending or Stopping Access to Your Cryptocurrencies Hub”](#).

BUYING CRYPTOCURRENCIES

When you Buy Cryptocurrencies, you are not buying specific, identifiable Cryptocurrencies. Rather, you purchase rights in respect of Cryptocurrencies which PayPal will arrange to be held as described under the section “Holding Cryptocurrencies”.

You must use your PayPal Account to Buy Cryptocurrencies. To Buy Cryptocurrencies, you will fund your PayPal Account and obtain electronic money from us in accordance with the PayPal User Agreement and we will use this electronic money to facilitate the purchase of certain rights in respect of Cryptocurrencies to be held on your behalf. The following funding sources can be used to Buy Cryptocurrencies:

- a balance held in your PayPal Account;
- a bank account in your name linked to your PayPal Account; or
- a debit card in your name linked to your PayPal Account.

Where you use a bank account or debit card to Buy Cryptocurrencies, this means that we will take a payment from that funding source to fund your electronic money balance on your PayPal Account and then we will use that electronic money to Buy the Cryptocurrencies.

We do not allow use of a credit card or other credit products (including, without limitation, those offered by PayPal) to Buy Cryptocurrencies. When you Buy Cryptocurrencies, you agree that you have enough available funds in your selected funding source to complete your instruction. If we are not able to collect the required funds to complete your instruction from your selected funding source, you authorise us to:

- stop the transaction so that you are not able to Buy Cryptocurrencies in that transaction,
- debit any other balance you hold in your PayPal Account,
- debit any other funding source (except credit card or other credit products) you have linked to your PayPal Account,
- remove from your Cryptocurrencies Hub the Cryptocurrencies for which PayPal did not receive payment; and/or
- take any other reasonable action that we deem necessary to collect payment for your transaction, as allowed or required by relevant laws and regulations.

Sometimes we may allow you to Buy Cryptocurrencies before we have received the funds from your funding source, for example, where you Buy Cryptocurrencies using a debit card, we may allow you to Buy Cryptocurrencies before we receive the money from your bank. If this happens, we are entitled to keep the proceeds of any sale of your Cryptocurrencies that you may have made until we have received the cleared funds for your purchase. This may mean that you are unable to withdraw funds from a Sale of Cryptocurrencies from the PayPal Account until we have received the payment.

Via PayPal group companies, we arrange to buy Cryptocurrencies from a Service Provider on your behalf in US dollars and will therefore need to convert the funds that you provide in pounds sterling into US dollars in order to buy Cryptocurrencies on your behalf. For further information, please see the section on [“Information on Fees and Pricing”](#).

To Buy Cryptocurrencies, PayPal will first show you the value of Cryptocurrencies you would receive (taking into account our fees and mark-up) in exchange for the amount of money that you wish to spend. Because the price of Cryptocurrencies and the pound sterling to US dollar exchange rates fluctuate, the price we provide will only be valid for a limited time. If the price we provided expires, you won't be able to complete your transaction at that price. If you still want to Buy Cryptocurrencies, we will provide you with updated pricing information. The updated price you see may be much higher or lower than a price that just expired. This is because Cryptocurrencies are inherently volatile. Please read the section [“Risks of Cryptocurrencies”](#) for more information. Once you confirm your instruction, we will then execute and settle your transaction with a Service Provider and Buy the Cryptocurrencies on your behalf.

Once you confirm your instruction, your transaction is not reversible and you do not have a right to cancel a transaction or these Terms. If we cannot complete your instruction for any reason, we will notify you. Once your transaction is complete, we will email you a receipt. You may also see your transaction history in your PayPal Account.

If you use your electronic money balance in your PayPal Account to Buy Cryptocurrencies, the amount of electronic money used to pay for the Cryptocurrencies bought will be definitively spent. You will no longer hold, be entitled to, or be able to redeem that amount of electronic money.

HOLDING CRYPTOCURRENCIES

You do not own any specific, identifiable Cryptocurrency but rather have rights in respect of Cryptocurrencies.

When we arrange to Buy Cryptocurrencies for you, the relevant Cryptocurrency will be credited to an omnibus client account profile which PayPal group companies hold with the custodial Service Provider. We do not hold Cryptocurrencies directly with the custodial Service Provider and instead rely on the relationship between PayPal group companies and the custodial Service Provider who holds the omnibus client account profile. This means that we generally do not have direct rights against the custodial Service Provider who holds the Cryptocurrencies and our rights are against the PayPal group companies who entered into those arrangements. This means, for example, that we may rely on other PayPal group companies to enforce any underlying rights against the custodial Service Provider in the event, for example, that the custodial Service Provider fails to deliver any Cryptocurrencies or in the event of the custodial Service Provider's insolvency. You agree that PayPal holds as a trustee the rights in respect of the Cryptocurrencies described above on trust for your benefit. As a trustee we keep your rights in respect of the Cryptocurrencies separate from our own assets with the aim of ensuring they would be protected against PayPal's insolvency. Any balance in your Cryptocurrencies Hub represents your rights in respect of the relevant Cryptocurrency. This balance does not qualify as electronic money for the purposes of the [PayPal User Agreement](#).

The rights of PayPal group companies to the Cryptocurrencies held with the custodial Service Provider are held apart from the PayPal group companies' corporate assets and the PayPal group companies will not use these Cryptocurrencies for its operating expenses or any other corporate or business purposes, nor will it voluntarily make these Cryptocurrencies available to its creditors. In the event of PayPal's insolvency, any rights it has in respect of the Cryptocurrencies (including but not limited to rights against PayPal group companies) would be protected from claims of general creditors as a result of the trust arrangement under which your rights in respect of the Cryptocurrencies are held by PayPal on trust for you and the other PayPal accountholders for whom it holds Cryptocurrencies.

VALUE OF YOUR CRYPTOCURRENCIES

When you view your Cryptocurrencies Hub balance, we will show you the amount of each type of Cryptocurrency you Hold, as well as a pound sterling equivalent value of those Cryptocurrencies. This value is an estimate based on market data of Cryptocurrency values provided to us by a Service Provider quoted in US dollars and is then converted by us into pound sterling. The value we show is the midpoint between the lowest recent price at which the applicable Cryptocurrency was offered for sale and the highest recent price at which that same Cryptocurrency was purchased, as reported by a Service Provider. The price of Cryptocurrencies will rise and fall over time, and the price may sometimes change quickly and significantly. The exchange rate between pound sterling and US dollars is also subject to fluctuations. So, even if the amount of each type of Cryptocurrencies you Hold remains the same, the pound sterling equivalent value will change as the market price of each type of Cryptocurrency and /or the pound sterling to US dollar exchange rate fluctuates.

The estimated value we show does not represent the value you will receive if you actually Sell your Cryptocurrencies or the price you will pay to Buy more Cryptocurrencies and does not include any mark-up we earn on currency conversion and/or the Purchase or Sale price of the Cryptocurrencies or our fees (see ["Information on Fees and Pricing"](#) below).

SELLING CRYPTOCURRENCIES

To Sell Cryptocurrencies, PayPal will first show you the amount of money (taking into account our mark-up and fees) for which the Cryptocurrencies would be Sold. Because the price of Cryptocurrencies fluctuates, the price we provide will only be valid for a limited time. If the price we provided expires, you won't be able to complete your transaction at that price. If you still want to Sell your Cryptocurrencies, we will provide you updated pricing information. The updated price you see may be higher or much lower than a price that just expired. This is because Cryptocurrencies are inherently volatile. Please read the ["Risks of Cryptocurrencies"](#) below for more information. Once you confirm your transaction, we will execute and settle your Sale with a Service Provider.

When you use your Cryptocurrencies Hub to Sell your Cryptocurrencies, the proceeds of such Sale (less any fees, if applicable) will be added to the electronic money balance in your PayPal Account. The timing of transfers of proceeds may be affected by holds or limitations we place on your PayPal Account. For instance, we may wait to credit, or not credit you with transferred Cryptocurrencies if there is a serious issue, hold or limitation on your account.

Once you confirm your Sale, your transaction is not reversible and you do not have a right to cancel a transaction or these Terms. If we cannot complete your Sale for any reason, we will notify you. Once your transaction is complete, we will email you a receipt. You may also see your transaction history in your PayPal Account.

INFORMATION ON FEES AND PRICING

PayPal will charge a transaction fee for facilitating your purchase and sale of Cryptocurrencies. In addition, PayPal will apply an exchange rate when you Buy or Sell Cryptocurrency in the Cryptocurrencies Hub to take into account the conversion between your electronic money in pounds sterling and the relevant Cryptocurrency which is quoted in US dollars. PayPal may charge a mark-up on:

- i. the price at which we Buy or Sell Cryptocurrencies on your behalf from or to a Service Provider. This is generally approximately 0.50% of the transaction value, although the actual rate will depend on market conditions; and
- ii. the conversion between pounds sterling and US dollars using our current exchange rate offered to customers which is based on the wholesale currency exchange rate or if required by law or regulation the relevant government reference rate(s).

Therefore, the amount you may be charged or receive in pounds sterling when you Buy or Sell Cryptocurrency may be different from the amount that we pay to or receive from the Service Provider after converting that amount from or into pounds sterling and we may retain the difference. We may be able to obtain a different rate in the wholesale foreign exchange market than the rate which we apply for the conversion between pounds sterling and US dollars when we Buy or Sell Cryptocurrencies on your behalf and we may retain the difference. The transaction fee and the exchange rate provided may be different than what you would pay on other cryptocurrency platforms.

More information on pricing and fees can be found on the [Fees](#) page.

The transaction fee that you will be charged and applicable exchange rate between pounds sterling and the Cryptocurrency will always be displayed to you before you are asked to approve your transaction. By transacting in your Cryptocurrencies Hub, you agree to pay all applicable exchange rates and fees. If you use a linked bank account or debit card as a funding source to Buy Cryptocurrencies, your bank may charge you its own fees, including overdraft fees or insufficient funds fees, if applicable. PayPal is not responsible for any fees that may be charged to you by your issuer or bank.

REVERSALS/CANCELLATIONS

You cannot reverse, cancel or change any transaction once it has been authorised.

We also reserve the right not to process, to cancel or, to the extent possible, to reverse a transaction, if (i) we believe that the transaction relates to any Restricted Activities (ii) we have placed a hold or limitation on your PayPal Account (including your Cryptocurrencies Hub), (iii) we have suspended your Cryptocurrencies Hub, (iv) we believe the transaction involves money laundering, terrorist financing, fraud or any other type of crime or (v) in response to a subpoena, court order, or other government order. In such instances, regardless of the reason we have blocked, cancelled or reversed your transaction and regardless of the reason we have lifted or reversed that restriction, we do not guarantee you will be able to reinitiate your transaction at the same price or on the same terms as the transaction that we did not process, or that was cancelled or reversed.

WITHDRAWAL OF FUNDS

If you want to withdraw the value of Cryptocurrencies from your Cryptocurrencies Hub you will need to Sell your Cryptocurrencies and withdraw the proceeds from their Sale (which will be an electronic money balance in your PayPal Account) by transferring them to your nominated funding source linked to your PayPal Account, as we may allow from time to time. **Further details are available in the [PayPal User Agreement](#) in the section "Withdrawing money".**

PAYPAL SUSPENDING OR STOPPING ACCESS TO YOUR CRYPTOCURRENCIES HUB

We may, in our reasonable discretion and without liability to you, not allow you to access the Cryptocurrencies Hub or may suspend or terminate your access to your Cryptocurrencies Hub, or place a limitation on the type or amount of activities in which you can engage using your Cryptocurrencies Hub. We may take such steps if we are unable to verify your identity, you engage in Restricted Activities, pursuant to a court order or other legal process, you violate these Cryptocurrency Terms or another agreement between you and PayPal, we are no longer offering Cryptocurrencies Hubs to customers in the UK, we are no longer offering one or more of the Cryptocurrencies in the Cryptocurrency Hub, our Service Provider is no longer supporting one or more Cryptocurrencies in the Cryptocurrency Hub or our Service Provider is no longer supporting the Cryptocurrencies Hub, among other reasons.

Your access to your Cryptocurrencies Hub will also be suspended or terminated if we suspend or terminate your PayPal Account pursuant to the PayPal User Agreement.

If your Cryptocurrencies Hub is suspended, you will not be able to Buy or Sell the Cryptocurrencies in your Cryptocurrencies Hub and they may fluctuate in value. We are not liable for any losses you may incur (and not entitled to any gains you make) as a result of those

fluctuations.

Where possible, we will give you notice prior to suspending or terminating your access to your Cryptocurrencies Hub. It may not be possible to give notice in all circumstances, and we may take the actions in this section without notice where we reasonably consider this is required.

If we suspend or terminate your access to your Cryptocurrencies Hub, and it Holds Cryptocurrencies, you authorise us, in our reasonable discretion and at any time, to liquidate the Cryptocurrencies in your Cryptocurrencies Hub into pounds sterling at the price that would otherwise apply to the Sale of Cryptocurrencies, or another price determined by PayPal in its reasonable discretion. You understand that the value of Cryptocurrencies may rise or fall quickly and that we have no obligation to Sell at a time that provides the best price for you. While PayPal will immediately notify you that your account has been closed, regardless of how quickly we Sell your Cryptocurrencies, we have no obligation to give you notice before we Sell.

If we liquidate your Cryptocurrencies, we will credit any unrestricted funds to your PayPal Account and these funds will constitute electronic money in your PayPal Account. There may be tax consequences and tax reporting obligations for you from any gain or loss of income you incur if we liquidate your Cryptocurrencies. It is your responsibility to comply with your obligations in respect of notifying or making filings/submissions to HMRC and/or other tax authorities in another jurisdiction and paying the relevant taxes.

SERVICE PROVIDERS

All custody of and trading in Cryptocurrencies is performed by one or more Service Providers through arrangements with other PayPal group companies.

To facilitate the Buying and Selling of Cryptocurrencies we use Service Providers. These Service Providers are able to buy and sell the cryptocurrencies that they offer on their own account. We will not always have a direct relationship with the Service Providers and may rely on arrangements that other PayPal group companies have entered into with the Service Providers.

When you Buy or Sell Cryptocurrencies, your instruction will be executed using the arrangements that the PayPal group companies have with the Service Providers.

We will Hold your Cryptocurrencies through arrangements we have with PayPal group companies, which in turn have arrangements with the custodial Service Provider. The relevant custodial Service Provider holds the digital Cryptocurrencies themselves, including the related private keys. Where possible and permissible under applicable laws, we will normally request that the custodial Service Provider holds the Cryptocurrencies separate from its own assets under the arrangements entered into with PayPal group companies.

PayPal (through the PayPal group companies) combines your Cryptocurrency balance with the Cryptocurrency balances of other PayPal account holders which are, in aggregate, reflected in an omnibus account profile held by affiliated PayPal group companies with our custodial Service Provider. We keep a record of your rights to Cryptocurrencies which is reflected in the relevant balance in your Cryptocurrencies Hub. PayPal holds its rights in respect of the Cryptocurrencies as a trustee for you and the other PayPal account holders for whom it holds Cryptocurrencies. In the absence of a manifest error, PayPal's internal ledgers, books and records are a definitive and complete record of your rights in respect of the Cryptocurrencies which are held on trust by PayPal.

If there is an interruption to the services from the Service Provider, on a short term basis we may, in our sole discretion, decide to use a back up liquidity provider via companies in the PayPal group or by using alternative Service Providers to enable the buying and selling of Cryptocurrency to continue during the interruption.

If the Service Provider becomes insolvent or if the Service Provider's private keys are compromised or lost we will assist you to the extent reasonably possible in seeking to recover the Cryptocurrencies in respect of which you have rights. There is, however, a material risk that part or all of those Cryptocurrencies will not be recovered which would result in the loss for you of the corresponding value of such Cryptocurrencies as reflected in your Cryptocurrencies Hub at the relevant time.

RISKS OF CRYPTOCURRENCIES

The value of Cryptocurrencies is volatile and unpredictable

The value of Cryptocurrencies can be extremely volatile and unpredictable and, combined with the inherent difficulties of valuing Cryptocurrencies reliably, can result in significant losses in a short time. **Buying and Selling Cryptocurrencies is inherently risky and speculative, you could lose the entire amount you have paid** and you should consider the risks before deciding to Buy or Sell Cryptocurrencies. The nature and duration of a Cryptocurrency's track record may affect volatility.

Cryptocurrencies are not backed by conventional assets and can usually not be used to buy goods or services. Therefore, the value of a Cryptocurrency is derived entirely from the continued willingness of market participants to exchange fiat currency for that Cryptocurrency,

which may result in the potential for permanent and total loss of value of a particular Cryptocurrency should the market for that Cryptocurrency disappear.

Cryptocurrencies may be subject to cyber attacks

Cryptocurrencies in a given address are controlled by the private key of the holder of the address. The Service Provider will hold the private keys in respect of Cryptocurrencies reflected in the Cryptocurrency Hub. If the private key is compromised or lost, the cryptocurrencies in that address may be stolen or lost and otherwise unrecoverable.

Cryptocurrencies may be subject to software modifications

The software protocols underlying Cryptocurrencies can change suddenly and unexpectedly in a way that has a significant impact on your Cryptocurrencies – see [“Cryptocurrencies Software Protocols and Forks”](#) below.

You may be unable to Buy or Sell your Cryptocurrencies when you want to

While we will try to complete, on your behalf, Purchases and Sales of Cryptocurrencies that you authorise and that comply with these Cryptocurrency Terms, we do not guarantee your ability to Buy or Sell Cryptocurrencies.

Cryptocurrencies are not regulated

Cryptocurrency activity in your Cryptocurrency Hub is not regulated by the FCA. It is not within the jurisdiction of the FOS and so any complaints you may have about the Cryptocurrency service could not be referred to the FOS. Cryptocurrency activity is not subject to protection under the UK Financial Services Compensation Schemes and any losses you may suffer in connection with Buying or Selling Cryptocurrencies would not be covered by those schemes. To facilitate our Cryptocurrency service, we also provide electronic money and payment services, which are regulated – please refer to your [PayPal User Agreement](#) for further details.

It may not be possible to enforce rights against the Service Provider or PayPal group companies if they became insolvent

Although the Service Provider will keep the Cryptocurrencies in respect of which you have rights separate from its own assets, if it became insolvent, there is a risk that our and your ability to access and sell those Cryptocurrencies, directly or via PayPal group companies, could be delayed, time-consuming, costly and ultimately unsuccessful resulting in a loss for you. Since we exercise our rights in respect of Cryptocurrencies principally through PayPal group companies, if those companies became insolvent there is a risk that our and your ability to access and sell those Cryptocurrencies could be delayed, time-consuming, costly and ultimately unsuccessful resulting in a loss for you.

EXTRAORDINARY CIRCUMSTANCES

Your access to the Cryptocurrencies Hub or your ability to Hold, Buy or Sell Cryptocurrencies, including the price for Buying and Selling, can also change or be limited by extraordinary circumstances outside our control (for example, fire, flood, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, breakdown of web host, breakdown of internet service provider, natural catastrophes, governmental acts or omissions, changes in laws or regulations, national strikes, fire, explosion, generalized lack of availability of raw materials or energy, or extreme financial market conditions), which we either did not reasonably foresee or that happened despite our reasonable precautions (“**Extraordinary Circumstances**”). PayPal will not be liable to you for any limits, suspension, delay, or change to your Cryptocurrencies Hub or your inability to transact in Cryptocurrencies because of Extraordinary Circumstances, including any changes in the Buy or Sell price of Cryptocurrencies because of Extraordinary Circumstances.

MARKET DATA & EDUCATIONAL CONTENT

The information we provide about Cryptocurrencies is not investment, financial, tax, legal or trading advice. The information may include content provided by third parties; we take no responsibility for third-party materials. You should verify all information that you receive before relying upon it, and we have no liability to you if you make decisions based on the educational or market information that you receive from or through us.

The educational information available through your Cryptocurrencies Hub is provided as general educational background. It is not tailored to individual PayPal users and therefore, is not provided based on your individual financial, investment, tax, legal or educational needs and circumstances.

The information on market price of Cryptocurrencies as displayed in the Cryptocurrencies Hub is based on the data shared with us by our Service Provider. The market price we show does not represent the value you will receive if you actually Sell your Cryptocurrencies or the price you will pay to Buy Cryptocurrencies. The market price for Cryptocurrencies may be different on different marketplaces. The market data that we provide to you is from an external source. We do not control the external sources or the data they provide, and we do not necessarily verify that the information provided is complete and accurate. Therefore, we cannot and do not guarantee that the information is accurate, complete, timely, or suitable for use, and it may be inaccurate, incomplete or out of date.

NO INVESTMENT ADVICE

You must determine if any particular Purchase or Sale of Cryptocurrency is appropriate for you, based on your own investment objectives, financial circumstances and risk tolerance.

Neither PayPal nor its Service Provider provide investment advice to you. You are solely responsible for all decisions to Buy or Sell Cryptocurrencies through your Cryptocurrencies Hub, and we do not manage your Cryptocurrencies Hub on your behalf. Our sole responsibility is to execute trades and hold Cryptocurrencies on your behalf through our Service Provider, in each case based on your instructions and subject to these Cryptocurrency Terms.

By selecting particular Cryptocurrencies to be available to be Bought and Sold via PayPal, we do not make any recommendations in relation to those Cryptocurrencies or any representation as to their present or future value, robustness or integrity.

CRYPTOCURRENCIES SOFTWARE PROTOCOLS AND FORKS

The technology that creates cryptocurrency, including your Cryptocurrencies, is typically governed by underlying software protocols that are open source, which means that anyone can use, copy, modify or distribute them.

PayPal does not currently own or control the underlying software protocols and these software protocols can change suddenly and unexpectedly in a way that has a significant impact on your Cryptocurrencies. Because we don't control this technology, PayPal is not responsible for the operation of the underlying software protocols and cannot guarantee the continued functionality, security or availability of any Cryptocurrency.

Software protocols governing a Cryptocurrency can experience sudden changes in operating rules that are outside PayPal's control, called "forks." A fork can have a material change on the operation, functionality, value or even name of a Cryptocurrency. A fork may result in multiple versions of a Cryptocurrency, and each version could have a very different, and possibly lower, value than your Cryptocurrency before the fork.

PayPal may or may not support the fork of a Cryptocurrency, whether or not the forked Cryptocurrency holds any value. In the event of a fork, PayPal may temporarily suspend trading of some or all Cryptocurrencies in order to determine whether or not it will support any particular fork. In the event of a fork, PayPal will evaluate the feasibility of supporting the fork and determine whether and to what extent any new assets resulting from the fork may be supported and/or allocated. This evaluation will take into account factors such as, but not limited to, the technical issues around supporting a fork, Service Provider dependencies, and legal and regulatory considerations.

You agree that, subject to PayPal's obligation to you to perform its services with reasonable care and skill, PayPal is not responsible or liable to you for any losses or damages, including lost profits, which may occur as the result of a change in the underlying software protocol of a Cryptocurrency, PayPal's decision to support or not support any particular fork or modified software protocol, and any interruption of trading while PayPal makes such determination. If PayPal decides not to support a fork or modified software protocol, you may never get access to the assets/Cryptocurrencies governed by that fork or software protocol.

TRANSACTION LIMITS

From time to time, we may, in our discretion, impose limits on the amount of Cryptocurrencies you can Buy or Sell. These may include transactional, weekly or annual limits. You may not be able to Buy or Sell the amounts of Cryptocurrencies which you may wish to.

TRANSACTION HISTORY AND STATEMENTS

You can view your Cryptocurrencies Hub transaction history by logging into your PayPal Account. Your PayPal Account statement will also include information on your Purchase of Cryptocurrencies and the proceeds from the Sale of your Cryptocurrencies, as well as your beginning and ending Cryptocurrency balance and the fees you paid to Buy and Sell Cryptocurrencies. Your PayPal Account statement may not include all of the details regarding your Purchase and Sale of Cryptocurrencies that are available in your PayPal Account transaction history.

RESTRICTED ACTIVITIES

In addition to the other "[Restricted Activities](#)" identified in your [PayPal User Agreement](#), you must not engage in the following "Restricted Activities":

- Breach these Cryptocurrency Terms;
- Use what we reasonably believe to be fraudulent or unlawful funds in order to Buy Cryptocurrencies;
- Initiate any transaction that is not intended to be completed, or is intended to abuse, manipulate, mislead or default other participants in the cryptocurrency market;
- Engage in any activity that operates to defraud or cause a loss to PayPal, other PayPal users, or any other person; or
- Control an account that is linked to another PayPal account that has engaged in any of these restricted activities.

By Buying or Selling Cryptocurrencies through your Cryptocurrency Hub, you confirm that you will not engage in any Restricted Activities.

Actions we may take if you engage in any Restricted Activities

If we believe that you've engaged in any Restricted Activities, we may take a number of actions to protect PayPal, its customers and others at any time in our sole discretion. In addition to the remedies identified in your [PayPal User Agreement](#), the actions we may take include, but are not limited to, limiting your access to or use of the Cryptocurrencies Hub, and/or suspending your Cryptocurrencies Hub, immediately and without penalty to us, including limiting your ability to Buy or Sell Cryptocurrencies.

You authorise PayPal to block Cryptocurrencies in your Cryptocurrencies Hub and/or funds in your PayPal Account if we believe a transaction relating to those Cryptocurrencies involves money laundering, terrorist financing, fraud or any other type of crime and, if required by applicable law, to seize the Cryptocurrencies and/or funds.

If we close your PayPal Account and Cryptocurrencies Hub or terminate your use of the PayPal services for any reason, we'll provide you with notice of our actions. You can find more information on what happens if we close your Cryptocurrencies Hub in the section "[PayPal Suspending or Stopping Access to Your Cryptocurrencies Hub](#)". If you believe we have taken any action in error, please contact us using details set out above.

You are responsible for all reversals, chargebacks, claims, fees, fines, penalties and other liability incurred by PayPal, any PayPal customer, or a third party caused by or arising out of your breach of these Cryptocurrency Terms, and/or your use of the PayPal services including the services available in your Cryptocurrencies Hub.

TAXES

It is your responsibility to determine what taxes, if any, apply to transactions you make using your Cryptocurrencies Hub. It is your responsibility to comply with your obligations in respect of notifying or making filings/submissions to HMRC and/or other tax authorities in another jurisdiction and paying the relevant taxes. PayPal is not liable for errors or omissions in any tax information, including but not limited to those due to the customer's fault or where PayPal is not required to report that information to a tax authority. You can access your transaction history and account statements through your PayPal Account. You acknowledge that we may make certain reports to tax authorities regarding transactions that we process.

If you have not self-identified as a U.S. person for tax purposes, we will monitor your activity on the Cryptocurrencies Hub/PayPal Account for U.S. indicia such as (but not limited to) withdrawal to a U.S. bank account or a U.S. address or a U.S. telephone number. If the U.S. indicia is detected by our systems, this will result in your access to the Cryptocurrencies Hub/PayPal Account being limited so that you will be unable to Buy Cryptocurrencies and you will be unable to withdraw proceeds of Selling your Cryptocurrencies. These limitations on your Cryptocurrencies Hub/PayPal Account will be removed once you provide us with documentation that we request to prove your status as a U.S. person or a non-U.S. person.

If you are a U.S. person, we will provide you any required Internal Revenue Service (IRS) Forms 1099 with respect to the Sale of any Cryptocurrencies for your tax records, and we will report any necessary Form 1099 filings to the IRS. PayPal may require certain account holders to document their account with additional information such as a tax identification number or other required documentation.

Value Added Taxes

All fees due to PayPal under these Cryptocurrency Terms are stated exclusive of applicable value added taxes ("**VAT**"), if any. If we determine that we are required to add VAT on our fees to you, we will provide you with a valid tax invoice as required under the applicable tax laws. If you receive our services from outside the UK, it is your responsibility to determine if you are required to self-assess UK VAT under the reverse-charge mechanism.

LIABILITY FOR UNAUTHORISED TRANSACTIONS AND ERRORS

Unauthorised Transactions

If you believe there has been an unauthorised Purchase or Sale of Cryptocurrencies in your Cryptocurrencies Hub, please contact us **immediately** using the details set out [above](#).

PayPal's Buyer and Seller Protection will not apply to activity in your Cryptocurrencies Hub. PayPal will, however, protect you from unauthorised activity involving the Purchase or Sale of Cryptocurrencies in your Cryptocurrencies Hub. When this protection applies, PayPal will cover you for the full amount of unauthorised activity, as long as you cooperate with us, and follow the procedures for unauthorised transactions process as described in the [Resolving Problems](#) section of the PayPal User Agreement. This means we will treat the unauthorised transaction in the same way as an "unauthorised payment" under the Resolving Problems section of the PayPal User Agreement for these purposes. However, the Cryptocurrency services are not within the jurisdiction of the FOS or the ECC and so any complaints about those services could not be referred to them. You will also need to follow the additional requirements described below related to your Cryptocurrencies Hub.

If you claim there has been an unauthorised Purchase of Cryptocurrencies, you may not Sell those unauthorised Cryptocurrencies before you report the unauthorised Purchase to PayPal or while PayPal investigates your claim. If you Sell any Cryptocurrencies that you claim you did not Purchase, PayPal will deny your claim for those Sold Cryptocurrencies and you will not be able to recover any funds used to Purchase the Cryptocurrencies that you have Sold under such circumstances. We will continue to address your claim for any disputed Cryptocurrencies that you did not Sell.

If PayPal determines the Cryptocurrencies were Purchased without your authorisation and provides you a refund of the funds used to Purchase the Cryptocurrencies, or if you have disputed the transaction and received a refund from any other source such as your bank or card issuer, you agree that PayPal will take back the Cryptocurrencies and will remove them from your PayPal Account. You agree not to Sell the Cryptocurrencies prior to PayPal removing the Cryptocurrencies.

If you Sell the Cryptocurrencies for which you have received a refund (whether from PayPal or any other source such as your bank or card issuer) before PayPal removes the Cryptocurrencies from your PayPal Account, PayPal may recover from you the greater of (i) any Sales proceeds from your Sale of those Cryptocurrencies and (ii) the amount of any refund PayPal provided to you.

Error Resolution and Liability

If you believe there has been an error with respect to your Cryptocurrencies Hub, please contact us using the details set out above and you must follow the procedures for reporting errors set out in the PayPal User Agreement.

Except as it relates to the Sale of Cryptocurrencies that you claim have been Purchased without authorisation as described above, PayPal will apply the resolution processes for resolving problems as set out in the PayPal User Agreement. However, the Cryptocurrency services are not within the jurisdiction of the FOS or the ECC and so any complaints about those services could not be referred to them.

If you claim an error has caused you to receive additional Cryptocurrencies that you did not Purchase, you may not Sell such additional Cryptocurrencies before you report the error to PayPal or while PayPal investigates your claim. If you Sell any Cryptocurrencies that you claim you did not Purchase, PayPal will deny your claim for those sold Cryptocurrencies. If you receive Cryptocurrencies in error and Sell such Cryptocurrencies, we may recover the amount of any Sale proceeds from you.

To the extent PayPal determines that an error occurred, and such error is attributable to PayPal or our Service Provider, we remain responsible for resolving such error.

Liability for Cryptocurrency transactions

Your ability to Buy or Sell Cryptocurrencies may be delayed or unavailable due to the availability of the Cryptocurrency, or funds from your funding source, issues with the trading network or our ability to interface with our Service Provider, system downtime, limitations or suspensions we impose on your Cryptocurrencies Hub in our sole discretion, for required safety, security, or legal reasons, or for other reasons outside PayPal's or any Service Provider's control, and we are not liable to you if we are unable to execute or delayed in executing or settling your transactions.

GENERAL

PayPal suspension and termination rights

PayPal, in its sole discretion, reserves the right to suspend or terminate these Cryptocurrency Terms, access to or use of its websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or some or all of the PayPal services. If we decide to take any of these steps we will give you reasonable prior notice.

No waiver

Our failure to act with respect to a breach of any of your obligations under these Cryptocurrency Terms by you or others does not waive our right to act with respect to subsequent or similar breaches.

General Pledge

Except where prohibited by law or regulation, as security for the payment of all your current and future obligations under these Cryptocurrency Terms, you hereby grant a pledge in favour of PayPal on all your claims against PayPal under these Cryptocurrency Terms including your current and future claims against PayPal under the trust arrangement relating to your Cryptocurrencies.

If you fail to make a payment to PayPal, you immediately authorise us to enforce the pledge and appropriate or sell the Cryptocurrencies in accordance with applicable legal provisions. PayPal may offset the claims you have pledged in its favour against claims PayPal has against you. PayPal may do so without informing you in advance.

Amounts owed to PayPal

If there is an amount owing from you to us resulting from your use of the Cryptocurrency services, we may debit that amount from your PayPal Account. If the balance in your PayPal Account (including your Cryptocurrencies Hub) represents an amount that you owe to PayPal then PayPal is entitled to recover that amount from you. In addition to any rights we have under the [PayPal User Agreement](#), you authorise PayPal to Sell your Cryptocurrencies and use the proceeds to pay any amount you owe to us in any PayPal Account you own.

If we Sell your Cryptocurrency to pay amounts you owe to us, we will value the Cryptocurrencies using the price that otherwise applies to the Sale of Cryptocurrencies, or another price determined by PayPal in its reasonable discretion. You understand that the value of Cryptocurrencies may rise or fall quickly and that we have no obligation to Sell at a time that provides the best price for you. While PayPal will notify you if your balance becomes an amount you owe to us, regardless of how quickly we Sell your Cryptocurrencies, we have no obligation to give you notice before we Sell. You may have tax reporting and tax payment obligations as a consequence of Selling your Cryptocurrencies.

No Other Encumbrances

Other than our pledge described above, PayPal will not pledge, charge, hypothecate, assign or otherwise encumber your Cryptocurrencies.

Assignment

You may not transfer or assign any rights or obligations you have under these Cryptocurrency Terms without PayPal's prior written consent. PayPal may (with notice) transfer or assign these Cryptocurrency Terms or any right or obligation under these Cryptocurrency Terms at any time.

Governing law

These Cryptocurrency Terms and the relationship between us are governed by the laws of England and Wales.

Wherever you live in the UK, if you bring a claim against us in court, you may bring an action against us in the UK (where we are incorporated).

We can bring a claim against you in the courts of the country you live in.

Severability and third party rights

If any parts of these Cryptocurrency Terms are held to be invalid or unenforceable, they will be struck out and the remaining provisions enforced.

A person who is not a party to these Cryptocurrency Terms has no rights under the Contracts (Rights of Third Parties) Act 1999 to rely upon or enforce any term of these Cryptocurrency Terms but this does not affect any right or remedy of third parties which exists or is available apart from that act.