

## PayPal Credit Mastercard Cardholder Agreement

Last updated on 28 October 2025

### Contracting Party and Scope of this Agreement

This Agreement ("Agreement") constitutes a legal agreement between you and PayPal UK Ltd ("we" or "PayPal").

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

This Agreement has no fixed or minimum duration and will continue until it's terminated.

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

### Eligibility

To be eligible for the Card you need to have a PayPal Credit account. You can find the terms and conditions for your Credit account by logging into your PayPal account.

We may issue you with a Card when you open a PayPal Credit account. You may also request a Card but we can reject applications for Cards at our sole discretion.

### Receipt and Activation of Your Card

You must activate your Card before it can be used. You may activate the Card in the PayPal app or by logging into your PayPal account and following the activation instructions as outlined on our website.

### Possible Uses

Your Card can be used to initiate transactions using PayPal Credit (see clause 2.2. of your PayPal Credit Agreement for details) at merchants accepting Mastercard. You can use the Card to make purchases in-store, at a merchant's point of sale, including online and over the phone. The Card cannot be used for cash withdrawals at ATMs and cannot accept balance transfers from another account (whether with PayPal or a third-party).

Where supported by PayPal you can also add your Card to a third-party digital wallet to make transactions and you can use your mobile phone or other mobile device ("Device") which enables the use of digital cards, provided your Device has a supported operating system as published on our website.

Your Card is for your personal use only. It's not to be used for a business.

# No PayPal Buyer Protection for In-Store Transactions with Your Card

In-store payments with your Card are not eligible for PayPal Buyer Protection. Only online payments with your Card are eligible for PayPal's Buyer Protection subject to the conditions set out in [PayPal's Buyer Protection Program](#).

## Authorisation of Transactions

Each time you use the Card or card details to make a payment, you will need to authorise it in the manner prescribed. No one other than the person named on the Card may use the Card. When you authorise a payment, we are responsible for making sure it is correctly made. We will assume a transaction has been authorised as soon as the relevant card, card number and PIN, biometric data or other security details have been used.

You can authorise payments with your Card by:

- tapping your Card against a contactless enabled reader;
- inserting the Card chip and entering your Personal Identification Number (PIN) or otherwise authenticating the payment as instructed;
- entering your Card details manually at the merchant's point of sale (including website);
- giving your card details to the merchant in order to set up regular automatic payments;
- requesting a merchant to initiate a transaction on the phone providing your Card number, expiry date, security code (CVC); or
- swiping the magnetic stripe and signing the transaction receipt.

If you have arranged for a payment to be made at a future date (e.g. if you have set up regular automatic payments as above), you can cancel those payments by contacting us before the end of the business day before the next payment is due to be made. You should also contact the merchant to tell them you have cancelled the payment.

You cannot cancel any other transaction after you have authorised it, although in certain circumstances you may be able to ask for a refund (see 'Refunds' below).

## Transactions in currencies other than GBP

It is possible to use the Card to make transactions in currencies other than GBP. If a payment 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 the [Mastercard Currency Conversion Calculator for Mastercard's rates](#).

PayPal will charge a cross-border fee of 2.5% of the converted transaction amount. This will be applied to your PayPal Credit account balance as part of the transaction.

## 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: 0800 368 7155.

## Your Obligations: Protecting Your Card and PIN

You are obliged to comply with the following obligations:

- Take all reasonable precautions to protect your Card, your Device, your PayPal account, Card details, PIN and other security details from unauthorised access by a third party. If you lose your Card or if your Card is stolen, you must inform us immediately. You can contact us on 0800 368 7155 or you can use the PayPal App or by logging into your PayPal account to report your Card lost or stolen.
- You are not allowed to:
  - enable a third party to use your Card;
  - share your PayPal password or PIN or other security details with any other person (except for licensed payment initiation or payment account services);
  - share your passcode or other security credentials for unlocking your Device with any other person; or
  - write down your PIN on your Card or any material stored with or near your Card.
- Biometric elements such as your fingerprint may only be used for authentication on your own Device and no other person's biometric elements may be stored on the same Device. If you have a new Device, make sure you delete the tokenised version of your Card (the digital representation of your Card you uploaded to a third party digital wallet) on your previous Device which you do not use any more. You may use your Card only on your own Devices, and you must not allow your Card to be added to a third party digital wallet on someone else's Device.
- If you find a Card after you have reported it as lost you must destroy it and not use it. You must co-operate with us and the police to investigate any unauthorised transactions.
- You must comply with any security procedures we tell you about from time to time. If you don't, we won't be legally responsible for any loss you suffer.

## 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 unauthorised use of your Card, you must notify us immediately.

To this end, you can log in to your PayPal account or the PayPal app and report the Card as stolen, contact PayPal's [Customer Service](#) or call us on 0800 368 7155.

You'll need to provide us with all the information you have about the loss, theft or misuse of your Card. We may ask you to report the matter to the police, or we may give information to the police about it.

## Disputed and unauthorised transactions

If you do not think a transaction has been made by you or if you think a payment has not been made in accordance with your instructions, you must tell us immediately.

In the event of an unauthorised transaction or a transaction which has been authorised but incorrectly executed by us, PayPal will refund it in full, together with any associated fees and charges as soon as we can and in any event by the end of the next business day.

If someone uses your Card with your permission, you will be responsible for all transactions that take place until you've told us it's been misused.

You'll be responsible for all transactions made with your Card if we can show that you acted fraudulently.

If you dispute a transaction with a merchant, we may credit your account for all or part of the disputed transaction amount.

## Refunds

If a merchant refunds a purchase on your account, we will only credit the refund when we receive details from the merchant. Refunds are not treated as repayments to your PayPal Credit account.

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

- The authorisation did not specify the exact amount of the Card payment when the authorisation was made.
- 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.
- 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.

You do not have a right to a refund where:

- You have given consent to execute the Card payment directly to PayPal – this means where you have told us expressly to make the Card payment. An example of this might be where you have entered into a billing agreement with us to pay for recurring subscriptions;
- 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
- if the payment in question was higher than you reasonably expected to pay due to a change in any currency exchange rate.

Within ten business days of receiving a request for a refund or of receiving any further information reasonably requested by us when you make the request, PayPal will either refund the full amount of the payment transaction or provide a justification for refusing the refund.

## PayPal's Right to Reject a Card Transaction

We may refuse to authorise a Card transaction at any time for any of the following reasons:

- your Card is locked;
- for any of the reasons set out below; or
- for any of the reasons for refusing a transaction as set out in your PayPal Credit agreement.

We are not responsible for any loss you incur as a result of us refusing to execute a Card transaction in any of the ways described above.

## 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 where we reasonably believe that your continued use of the Card has the potential to cause significant harm to PayPal or other users, or if we are required to do so to meet a legal obligation. We may need to do this immediately and without notice.

We may suspend or permanently suspend your use of your Card:

- 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.

We may refuse to authorise a transaction, or limit the use of or cancel your Card for any of the following reasons:

- to protect the security of your Card;
- if we're worried there may be unauthorised or fraudulent use of your Card or that a crime has been or is about to be committed in connection with the use of the Card or your PayPal Credit account;
- if you have broken the terms of your PayPal Credit agreement in a serious way; or
- if allowing you to use your Card would mean that we may break a law, regulation, code or other duty that applies to us, or could expose us to action or criticism from any government, regulator or law enforcement organisation.

If we limit or suspend your right to use your PayPal Credit account you will also be unable to use your Card.

We are not responsible for any loss you incur as a result of us stopping the use of your Card in this way.

We will try to tell you before we take any measures to stop the use of your Card. If it is not practicable to do so, we will tell you immediately afterwards and we will give you the reason we have done so unless telling you would be unlawful.

We are not responsible, or liable for any loss if a merchant does not accept your Card or retains your Card; the way in which a merchant tells you that it refuses to accept your Card; or any loss if there is any failure or delay in providing our service caused by strikes, industrial action, failure of power supplies or computer equipment, or other unusual or unforeseeable causes beyond our reasonable control.

## Property of the Card

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

## Changes to this Agreement and to your Card

We may change this Agreement with two months' prior notice subject to the conditions in the PayPal User Agreement. We may also issue you with a new Card from time to time or change the type of payment instrument or Card you can use to access PayPal Credit.

## Your Right to Terminate

You may terminate this Agreement, and thereby cancel your Card, at any time. You may contact our customer services team to cancel your Card by calling 0800 368 7155 or logging into your PayPal account or the PayPal app.

## PayPal's Right to Terminate

In addition to any other rights we may have to restrict, suspend or terminate your Card under this Agreement, we may terminate this Agreement with two months' prior notice at any time for any reason. We may terminate this agreement immediately at any time:

in accordance with our termination rights set out in the PayPal User Agreement; and

if we end your PayPal Credit Agreement with immediate effect for one of the reasons set out in Condition 15.4 of that Agreement.

## Privacy

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

## Disputes

For any disputes or issues with PayPal or this service, please refer to the Resolving Problems section in the [PayPal User Agreement](#).

In particular, if we fail to resolve your complaint to your satisfaction you may refer your complaint to the Financial Ombudsman Service (FOS). The FOS is a free, independent service, which might be able to settle a complaint between you and us. You may obtain further information regarding the FOS and contact the FOS at <https://www.financial-ombudsman.org.uk/>.

You can also make a complaint to the Financial Conduct Authority. Information on contacting the Financial Conduct Authority can be found at <https://www.fca.org.uk/contact>.

## Additional Terms in the PayPal User Agreement

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

## Status disclosure

PayPal UK Ltd is authorised and regulated by the Financial Conduct Authority (FCA) as an electronic money institution (firm reference number 994790); in relation to its regulated consumer credit activities (firm reference number 996405); and for the provision of cryptocurrency services (firm reference number 1000741). Some products and services, such as PayPal Pay in 3 and PayPal Working Capital, are not regulated by the FCA and may offer a lower level of protection. Please read product terms for further details. PayPal UK Ltd's company number is 14741686. Its registered office is 5 Fleet Place, London, United Kingdom, EC4M 7RD.

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