

>> [View all legal agreements](#)

## Pay in 3 Terms & Conditions

These Pay in 3 terms and conditions will be effective as of: September 26, 2022



[Download PDF](#)

1. This **Pay in 3 instalments** facility agreement (the “**Agreement**”) is a credit granted to you (“**You**” or “**Your**”) by PayPal (Europe) S.à r.l. et Cie, S.C.A. (“**PayPal**”, “**us**” or “**we**”) pursuant to this contract which supplements Your PayPal User Agreement and specifically governs Your use of Your “Pay in 3 instalments” facility (the “**Facility**”).

PayPal (Europe) S.à.r.l. et Cie, S.C.A. (a limited liability partnership registered at the Companies register of Luxembourg under number B 118 349, having its registered office at 22-24 Boulevard Royal, L-2449, Luxembourg) is duly licensed as a Luxembourg credit institution in the sense of Article 2 of the law of 5 April 1993 on the financial sector as amended and is under the prudential supervision of the Luxembourg supervisory authority, the *Commission de Surveillance du Secteur Financier* (CSSF), with registered office in L-2449 Luxembourg.

2. “Pay in 3 instalments” is a credit allowing You to pay in three interest-free instalments for the eligible purchases (from EUR 30 to EUR 2,000) that You made using your PayPal account. An initial payment is made at the time of purchase and is followed by monthly instalments spread over two (2) months as from the execution date of this Agreement. The “**Transaction Amount**” is the value of your purchase less any PayPal balance or special funding arrangement applied, as the case may be. We will automatically apply any merchant or transaction specific balance linked to your PayPal account to fund an eligible purchase and this will reduce the amount which is available to be funded through “Pay in 3 instalments” plan. “Pay in 3 instalments” will not be available where the Transaction Amount is reduced below EUR 30 and may not be available for purchases with certain merchants.
3. Pursuant Article 122(1)(c) and (d) of Legislative Decree No. 385 of 1 September 1993 (the Italian Consolidated Banking Act), the consumer credit legal framework does not apply to the Facility.
4. “Pay in 3 instalments” is available to natural persons being 18+ and holding a Personal PayPal account for which they are registered as residing in Italy, with a valid debit card, credit card or confirmed bank account linked to it as Funding Source for the duration of repayments to be made under the Facility.

5. We may carry out a credit check when you apply – if we do, this will leave a mark on your file from the moment this Agreement is executed. We may therefore have to provide information on how you manage your repayments to credit reference agencies.
6. This Agreement will be available in Your PayPal account at any time, but You may wish to print a copy and retain it for Your records. At any time during the contractual relationship, You are entitled to request this Agreement in a paper format, without any costs.
7. Capitalized terms not otherwise defined in this Agreement shall have the meaning set forth in the PayPal User Agreement.
8. Summary of Your ‘Pay in 3 instalments‘ facility

<b>‘Pay in 3 instalments‘ facility</b>	
<b>A. Credit Amount (corresponds to the Transaction Amount plus shipping costs, taxes, currency conversion if applicable, as well as any other fees or costs charged by the merchant or by third-party operators)</b>	[CREDIT AMOUNT] €
<b>B. Repayment Schedule (three (3) instalments to be paid within two (2) months)</b>	<p>First instalment: [amount] due on [date]</p> <p>2<sup>nd</sup> instalment: [amount] due on [date]</p> <p>3<sup>rd</sup> instalment: [amount] due on [date]</p> <p>Should the merchant collect the Credit Amount at a later stage, the first instalment will be due only at the time of the collection (this date may not exceed twenty-eight (28) calendar days from the date of conclusion of this Agreement (see Clause 9.5 below)). The 2<sup>nd</sup> and 3<sup>rd</sup> instalment dates will not change in this case.</p>
<b>C. Late fees</b>	None
<b>D. Early settlement</b>	You can repay your credit in whole or in part at any time during the repayment period. There is no early settlement fee.
<b>E. Repayment Method</b>	<b>Payment is by valid debit card, credit card or confirmed bank account linked to the PayPal account as a Funding Source</b>
<b>F. Annual percentage rate of charge (APR)</b>	0%

The amount that we are lending to You under this Agreement is based on, amongst other things, our assessment of Your financial position, the information You provided us within Your application and information about Your usage and history with PayPal.

## **9. Execution and entry into force of this Agreement**

9.1 You enter into this Agreement by double-click. You acknowledge and agree that the “double click” related to the acknowledgement of the terms and conditions and then the acceptance of said terms and conditions and of the Facility constitutes an agreement to conclude and an irrevocable acceptance of the terms and conditions. For the avoidance of doubt, you might need to finalize and complete the purchase transaction with the merchant after this Agreement is entered.

9.2 The Agreement is considered having been concluded in Luxembourg.

9.3 By entering into this Agreement, You expressly require that the performance of this Agreement starts immediately after Your acceptance and not after the expiration of the 14 calendar days withdrawal further detailed in Clause 10 below.

9.4 PayPal reserves the right to grant or refuse the “Pay in 3 instalments” facility on the basis, in particular, of Your financial situation.

9.5 The Credit Amount made available under this Agreement will be directly paid to the merchant through Your PayPal account. The first instalment mentioned at Clause 8. B. above will be due on the date at which the Credit Amount is made available to the merchant. In situations in which funds corresponding to the Credit Amount are not collected by the merchant within twenty-eight (28) calendar days as from Your subscription to this Agreement, You expressly agree that this Agreement will be automatically cancelled without any costs or liabilities from both parties arisen from such cancellation.

## **10. Your right of withdrawal**

10.1 You may withdraw from this Agreement without giving a reason by messaging us using the details provided in Clause 16.3 below. You have fourteen (14) calendar days to do so, starting from the day after You enter into this Agreement.

10.2 If You choose to withdraw from the Agreement, before instalment(s) is/are paid to us, this Agreement is voided without any fees and/or costs being due.

10.3 If You choose to withdraw from this Agreement after instalment(s) is/are paid to us, this Agreement is voided and:

(i) You will have to repay to us the full amount that You owe us under the Agreement without delay and no later than thirty (30) calendar days after the day on which You tell us that You want to withdraw; and

(ii) We will have to pay You the instalments You paid us already at the time of the withdrawal without delay and no later than thirty (30) calendar days after the day on which we have been informed that You want to withdraw.

The receivables mentioned under (i) and (ii) above shall be set-off to enable You to pay us the full amount that You owe us under this Agreement minus the instalments already paid to us at the time of the withdrawal.

## 11. Withdrawal from the Purchase Contract

11.1 In situations in which You have been granted with a withdrawal right in relation to the purchase contract with the merchant (the “**Purchase Contract**”) and You decide to exercise it in accordance with applicable law and the conditions set out in the Purchase Contract, this Agreement will be automatically terminated and Clauses 10.2 and 10.3 will apply *mutatis mutandis*. In most cases the merchant will credit any applicable funds back to your “Pay in 3 instalments” plan. This amount will be used to satisfy any Credit Amount outstanding.

11.2 If You choose to withdraw only from a part of your order under the Purchase Contract or the merchant provides a partial refund, the Credit Amount will be reduced accordingly and the future instalments to be paid pursuant to the Repayment Schedule being reduced equally and proportionally.

11.3 In case of full or partial withdrawal from the Purchase Contract, You agree to inform us about such withdrawal without delay by messaging or calling us using the details provided in Clause 16.3 below as mentioned in Clause 10.1 above, otherwise You agree that we continue debiting from Your Repayment Method the amount of each instalment and at the dates described under Clause 8.B. above.

11.4 Where your Purchase Contract was funded by PayPal account balance and/or special funding arrangement in addition to your “Pay in 3 instalments” plan:

- a. If you withdraw from your Purchase Contract or from part of your order or the merchant provides a full or a partial refund, any refund will be applied in the following order:
  - i. firstly, credited to your Facility and used to satisfy any Credit Amount outstanding;
  - ii. secondly, credited to your PayPal account (only where the purchase contract was partly funded by your PayPal balance); and
  - iii. any remaining amount will be applied to re-instate or partially re-instate the special

funding arrangement in your PayPal account (provided that it has not already expired) on the terms which applied to it at the time of the Purchase Contract.

- b. Where the refund amount is not enough to satisfy the Credit Amount in full, it will be reduced accordingly with the future instalments to be paid pursuant to the Repayment Schedule being reduced equally and proportionally.

11.5 If any activity detailed in this Clause 11 above results in an overpayment to your Facility, PayPal will reimburse You the overpaid amount without delay and within thirty (30) calendar days the latest.

11.6 In the event You receive a refund from a merchant, it is Your responsibility to return the item purchased to the merchant and other than as set out in this Agreement and Your statutory rights, we are not liable for a dispute between You and the merchant in relation to an item purchased.

## **12. Payments**

12.1 You are required to repay the Credit Amount as per the Repayment Schedule referred to in Clause 8.B.

12.2 Each repayment will be automatically debited from Your PayPal account on the payment due date by debiting the Repayment Method. We will inform You in advance of the amount of the repayment and the payment due date. If Your Repayment Method is a confirmed bank account linked to Your PayPal account as a funding source, you authorize PayPal to collect the repayment from the bank account by direct debit mandate. We will inform you by e-mail two calendar days before the due date about the upcoming collection and the collected amount. In this respect, 'due date' means the date at which we will instruct Your bank to proceed with the repayment.

12.3 You can also make early repayments and repay all or part of your outstanding balance at any time. You may do this by contacting our Customer Services team on the telephone number set-out in Clause 16.3 below or by logging into your PayPal account and clicking on the "Make a payment" button on the "Pay in 3 instalments" section on the PayPal account.

12.4 If PayPal tries to debit Your PayPal account through the Repayment Method for the repayment of an instalment or an early repayment and it fails, we may represent that amount for payment within 3 days or alternatively take that payment from the balance of Your PayPal account, if any. If PayPal refunds Your PayPal account and it is later determined that no refunds should have been paid we will be entitled to recover it from your PayPal account in case of sufficient balance or from

your PayPal account through the Repayment Method in case of insufficient balance.

12.5 Payments made by You under this Agreement will be applied:

- a. first, to past instalments which are due but unpaid if any; then to
- b. the repayment of the current instalment being due; and then to
- c. the future instalment(s).

12.6 Missing monthly repayments could have severe consequences, including us taking legal action against You and may result in difficulties for You to obtain other credits including with third-party lenders. If You miss payments, among others:

- a. Your credit records may be affected in a way that makes it more difficult or expensive to obtain further credit; and
- b. You may face legal action to recover what You owe.

If we take legal action to recover what You owe, we may seek a charging order from the court. You may also have to pay our legal costs.

### **13. Default**

In case of default:

- a. Your personal data may be registered in a credit file. The legal basis for this data processing will be Art. 6 (1) lit. f) General Data Protection Regulation / GDPR – our justified interests in assessing Your economic solvency. See Clause 20 below for more details, including the list of the relevant credit reference agencies we may use.
- b. To the extent permitted by the applicable law, we may also ask You to pay any reasonable losses and costs that we incur because of You breaching this Agreement.

### **14. Your Pay in 3 facility agreement**

14.1 This Agreement is a fixed sum credit agreement. This means that we are lending You a fixed amount of money so that You can pay for a transaction.

You agree that the fixed amount as indicated at Clause 8.A. may vary depending on:

- any currency conversion rate fluctuation occurred between the time the payment of the instalment is authorized and the time your PayPal account is debited;

-any additional amount you may accept to pay when completing your order on the merchant's website under the Purchase Contract with the merchant such as (but not limited to) shipping costs, insurance costs, etc.; and/or

-management costs that may be charged by third-party operators.

You expressly agree that the revised fixed amount is the amount you agree to borrow under your Facility without this Agreement needing to be amended. You will be able to see in Your PayPal account the revised Credit Amount and the revised Repayment Schedule.

For transactions not in euro currency, PayPal will automatically convert the transaction amount in euro before granting the Facility. Currency conversion or other charges will apply as set out in your PayPal User Agreement.

14.2 Your Facility is only for consumer use, and it is not intended to be for business or commercial use. You are not authorized to subscribe to the Facility for purchases connected to Your professional or business activity. You must not use (and we may prevent Your use of) the Facility for any illegal purpose or for any type of transaction involving any non-eligible purchases. You will be responsible for any prohibited use of the Facility even if we did not prevent or stop the prohibited use.

14.3 Without prejudice to Clause 11.5 above, if You pay us more than You owe us, we will first use such extra payment to repay any outstanding amount due to PayPal under the Agreement, when applicable, and then We will refund your PayPal account and finally re-instate the special funding arrangement in your PayPal account (provided that it has not already expired), when applicable.

14.4 PayPal may enable the use of special funding arrangements for "Pay in 3 instalments" purchases in its absolute discretion.

14.5 PayPal Buyer Protection rights described in the User Agreement will apply to a purchase made using a "Pay in 3 instalments" facility. If You have a problem with a purchase, you must follow the procedures described in the PayPal User Agreement and open a dispute within 180 days from the date You made the purchase. For the avoidance of doubt, the PayPal Buyer Protection rights described in the User Agreement apply only to the purchases You make using Your Facility. They do not apply to any problem You may have in relation to Your Facility itself and/or this Agreement. For information regarding how to make a complaint about Your Facility and/or this Agreement, please see Clause 19 below.

14.6 For the avoidance of doubt, You must continue to make the repayments due under this Agreement on the their due date whilst any Claim and/or Dispute You raise under Buyer Protection is investigated.

## **15. Our liability**

15.1 We shall not be responsible if You are unable to use Your Facility or should we be unable to carry out any of our obligations under this Agreement due to:

- a. us complying with applicable laws or regulation; or
- b. abnormal and unforeseeable circumstances beyond our reasonable control, the effects of which would have been unavoidable despite all of our efforts to the contrary.

15.2 You cannot use a claim against a merchant as a reason for not making payments to us unless You have a legal right to do so.

## **16. Communication**

16.1 By derogation to Your PayPal User Agreement, any notice to be provided to You by us under or in connection with this Agreement, will be exclusively sent by posting it on the PayPal Website(s) (including the posting of information which is only accessed by you by logging into your Account), emailing it to the email address listed in your Account, calling you by phone, or sending you a “text” / SMS message.

16.2 If we have reasonable grounds for believing that You have changed Your email and postal addresses, for example because our correspondence is returned to us, we may instruct agents to trace You.

16.3 You can contact us:

- a. online at <https://www.paypal.com/it/smarthelp/contact-us>;
- b. by calling us on +39 06 8938 6461 (charges may apply depending on the conditions and coverage of your phone service provider).

## **17. Termination**

We may terminate this Agreement and the related Facility and demand repayment of the full amount You owe us if:

- a. we find out that our decision to lend to You was based on inaccurate, misleading or incomplete information;



- b. You breach this Agreement regularly or seriously, otherwise break the law or You appear on any sanctions list that we monitor;
- c. we have a reasonable belief that You no longer have the ability to control Your account;
- d. You have broken the terms of another agreement with us, we have given You notice to end that agreement and we have reasonable grounds for believing that You may not be able to meet Your obligations under this Agreement;
- e. we reasonably believe You no longer reside in Italy; or
- f. if you close or attempt to close Your PayPal account.

You may terminate this Agreement at any time by repaying the overall Credit Amount due at that date within the conditions set out in Clause 12.3 above.

## 18. General

18.1 Italian law applies to the Agreement and to any precontractual information communicated to You and the courts of the place of Your residence or domicile are the competent courts. The Agreement is concluded in Italian language and any communication between You and us will always be in Italian. Any translation of this Agreement is provided solely for your convenience and is not intended to modify the terms of this Agreement.

18.2 This Agreement contains the whole agreement between us and You regarding Your Facility and supersedes and replaces any prior written or oral agreements, representations or understandings between us and You in relation to this Agreement. Each party confirms that it has not entered into this Agreement on the basis of any representation that is not expressly incorporated in this Agreement. In the event of a conflict between this Agreement and any provision of the PayPal User Agreement, the terms of this Agreement shall prevail.

**18.3 A credit is a binding commitment and shall be reimbursed. Please check Your ability to reimburse before accepting this Agreement.**

## 19. Complaints

The terms of the relevant “*Complaints*” section of PayPal User Agreement (<https://www.paypal.com/it/webapps/mpp/ua/useragreement-full#complaints>) shall apply, *mutatis mutandis*, to this Agreement.

## 20. Use of data

PayPal (Europe) S.a.r.l. et Cie, S.C.A. is the bank that provides the Facility. PayPal (Europe) S.à.r.l. et Cie, S.C.A. is duly licensed as a Luxembourg credit institution and is under the prudential supervision of the Luxembourg supervisory authority, the *Commission de Surveillance du Secteur Financier*. Please refer to the PayPal

Privacy Statement at <https://www.paypal.com/it/webapps/mpp/ua/privacy-full> for more information about how PayPal processes Your personal data.

If you want to exercise Your data protection rights or have any questions about the Privacy Statement, PayPal's data protection practices, Your credit application or the use of credit reference agencies, you can contact PayPal in accordance with the PayPal Privacy Statement at [https://www.paypal.com/it/webapps/mpp/ua/privacy-full?locale.x=en\\_IT](https://www.paypal.com/it/webapps/mpp/ua/privacy-full?locale.x=en_IT).

The details You provide on Your credit application form help us make responsible lending decisions. We may also collect identification and signature information itself to create and issue your electronic signature, as required by applicable laws and regulations. We ensure the security of Your personal data.

For credit decisions and the prevention of fraud and money laundering, we may use credit reference agencies (“**CRA**”) and fraud prevention agencies (“**FPA**”) to help us make decisions.

- a. When you apply to us to open a “Pay in 3 instalments” facility, we will check the following records about You:
  - i. Our own.
  - ii. Potentially, those at CRA. The identities of the CRAs, and the ways in which they use and share personal information, including how long they will retain such personal information, are explained in more detail at:

CRIF S.p.A.: <https://www.crif.it/media/4519/informativa-privacy-relativa-al-sistema-di-informazioni-creditizie.pdf>

Information on applications will be sent to the CRAs and will be recorded by them. Where you borrow from us, we may give details of your “Pay in 3 instalments” facility and how you manage them to the CRA. If you do not repay in full and on time, the CRA can record the outstanding debt. This information may be supplied to other organizations to perform similar checks and to trace your whereabouts and recover debts that you owe. Records remain on file for the period provided by the applicable law or regulation. The legal basis for this data processing will be Art. 6 (1) lit. f) General Data Protection Regulation / GDPR – our justified interests in assessing Your economic solvency.

We may carry out a credit check when you apply, in which case we will inform you once the loan application is submitted.

- b. We will make checks such as assessing this application for credit and verifying identities to prevent and detect crime and money laundering.

- c. If You give us false or inaccurate information and we suspect or identify fraud, we will record this and will also pass this information to FPAs and other organizations involved in fraud and money laundering prevention.