

This user agreement will be effective for all users as of March 16, 2020.

Welcome to PayPal!

This user agreement is a contract between you and Operadora PayPal de México S. de R.L. de C.V., a Mexican company, governing your use of your PayPal account and the PayPal services. If you are an individual, you must be a resident of Mexico and at least 18 years old to open a PayPal account and use the PayPal services. If you are a business, the business must be organized in, operating in, or a resident of Mexico and use the PayPal Services.

By opening and using a PayPal account, you agree to comply with all of the terms and conditions in this user agreement. You also agree to comply with the following additional policies and each of the other agreements on the [Legal Agreements](#) page that apply to you:

- [Privacy Statement](#)
- [Paypal Acceptable Use Policy](#)
- [PayPal Alternative Payment Methods Agreement](#)

Please read carefully all of the terms and conditions of this user agreement, the terms of these policies and each of the other agreements that apply to you.

We may amend this agreement and any of the policies listed above from time to time. The revised version will be effective at the time we post it, unless otherwise noted. If our changes reduce your rights or increase your responsibilities we will post a notice on the [Policy Updates](#) page of our website and provide notice to you of at least 30 days. By continuing to use our services after any changes to this user agreement, you agree to abide and be bound by those changes. If you do not agree with any changes to this user agreement, you may close your account. This user agreement will continue to apply to your previous use of our services.

### **About our main business**

PayPal is a payment services provider and acts as such by creating, hosting, maintaining and providing our PayPal Services to you via the Internet. Our services allow you to send payments to anyone with a PayPal Account and receive payments.

PayPal is not a remittance business or a money transfer service and the Personal Payments feature may not be used to remit funds to third parties.

### **Opening an account**

We offer two types of accounts: personal accounts and business accounts. All PayPal accounts let you do things like:

- [Send](#) and [receive](#) payments.
- [Buy](#) things online, using mobile devices or in stores.

- Make payments using your credit card, debit card, eCheck or other payment methods.
- Accept credit card, debit card, or other payment methods from others.

You are responsible for maintaining adequate security and control of any and all IDs, passwords, personal identification numbers, or any other codes that you use to access your PayPal account and the PayPal services. You must keep your mailing address, email address and other contact information current in your PayPal account profile.

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## Personal accounts

If you primarily need to make purchases and send payments, a personal account is probably right for you. With a personal account you can do things like:

- Send payments
- Buy goods and services

You can also use a personal account to receive payments for the sale of goods and services, but if you plan to use your PayPal account primarily to sell things, you should consider a business account. You can change your PayPal account from a personal account to a business account should circumstances change.

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## Business accounts

We recommend business accounts for people and organizations that primarily use PayPal to sell goods or services or accept donations, even if your business is not incorporated. With a business account, you can do things like:

- Use a company or business name as the name on your PayPal account.
- Allow employees access to some of the features of your PayPal account.
- Sign up for [PayPal products](#) that meet your business needs.

Business accounts may be subject to fees that differ from the fees applicable to personal accounts.

**By opening up a business account or converting a personal account to a business account, you certify to us that you are using it primarily for a business or commercial purpose. You also consent to PayPal obtaining your personal and/or business credit report from a credit reporting agency at account opening and whenever we reasonably believe there may be an increased level of risk associated with your business account.**

You must only conduct transactions from your account and on your own behalf or in your capacity as a legal representative of a company (in case the user is a legal entity). You must be the beneficial owner and the holder of the Account, and if a legal entity, must be the holder of the Account and inform PayPal, as and when requested, (i) the individuals authorized to represent it (managers and attorneys-in-fact), and (ii) the shareholding chain down to the individual level (the beneficial owner) or, for listed

corporations and non-profit legal entities, down to their final controlling shareholders or partners, if any. If the PayPal account is opened in the name of a legal entity, the primary individual controlling the account shall have the authority to delegate, in whole or in part, authority to other individuals to access the PayPal account on the understanding that the legal entity shall remain liable for any of its obligations under this agreement or other agreements with PayPal.

### **Closing Your PayPal Account**

You may close your account and terminate your relationship with us at any time without cost or penalty, but you will remain liable for all obligations related to your PayPal account even after the PayPal account is closed. When you close your PayPal account, we will cancel any scheduled or incomplete transactions and you will forfeit any coupons (for example, Merchant specific promotional balance, PayPal specific promotional balance, redemption codes). If you have funds in your PayPal account, you must provide your bank account information prior to closing your PayPal account so we can transfer funds from your PayPal account to your linked bank account registered with us.

In certain cases, you may not close your PayPal account, including:

- To evade an investigation.
- If you have a pending transaction or an open dispute or claim.
- If your PayPal account has a negative balance.
- If your PayPal account is subject to a hold, limitation or reserve.

### **Link or Unlink a Payment Method**

You can link or unlink a credit card or debit card to your PayPal account as a payment method. Please keep your payment method information current (i.e. credit card number and expiration date). If this information changes, we may update it using information and third party sources available to us without any action on your part. If you do not want us to update your card information, you may remove your payment method from your PayPal account. If we update your payment method, we will keep any preference setting attached to such payment method. In some instances, PayPal may require you to verify control of your credit card or debit card. In order to do so, PayPal may charge your credit card or debit card with a small transaction and then requires you to verify the charge. This amount will be refunded when you successfully complete the credit card or debit card verification process.

### **Adding Funds and Automatic Transfers**

If you have a negative balance, you will be required to reimburse PayPal through an alternative method. If you do not do so, PayPal may engage in collection efforts to recover such amounts from you.

In the event that you have funds in your PayPal account, you will not be able to use such funds to buy any product or to make any payment.

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## Automatic Withdrawal

You must register and link a bank account within 30 days after you receive your first payment. Each day, PayPal will automatically start the process to transfer funds from your PayPal account to your linked bank account registered with us. If you have more than one linked bank account, we will deposit your funds in your preferred bank account. You will typically receive the funds within 3 Business Days, unless you have a different settlement withdrawal set forth in your PayPal account or unless you manually start the withdrawal to your bank account.

If your preferred bank account is in Mexico, your funds may only be withdrawn in Mexican Pesos. If your preferred bank account is in the United States, then your funds may only be withdrawn in US Dollars. As long as the daily automatic withdrawal hasn't occur, you can start the manual withdrawal to a registered bank account different that your preferred bank account in the applicable currency in accordance with this paragraph (i.e. your preferred bank account is in Mexico, you receive a payment in US dollars, and you initiate a manual withdrawal to send the funds to a register U.S. bank in US dollars). If we are required to convert your funds, we will charge you a [Currency Conversion Fee](#).

Please note that if you do not register and link a bank account within 30 days after receiving your first payment, or if you fail to keep your bank information current and valid, we will disable your capability for receiving payments until you register a bank account.

To protect us and our users from loss, we may delay an automatic withdrawal If we place a [limitation](#) on your PayPal account, a payment is subject to a hold, or your account or an associated account has a negative balance in any currency while a withdrawal from your PayPal account is pending, once the limitation or hold has been lifted, or the negative balance is fully paid off the retained funds will be withdrawn to tour registered bank account.

## Managing Your Funds in Multiple Currencies

### How we convert currency

If PayPal converts currency, it will be completed at the transaction exchange rate we set for the relevant currency exchange. The transaction exchange rate is adjusted regularly and includes a [currency conversion fee](#) applied and retained by us on a base exchange rate to form the rate applicable to your conversion. The base exchange rate is based on rates within the wholesale currency markets on the conversion day or the prior Business Day; or, if required by law or regulation, set at the relevant government reference rate(s).

We add a [currency conversion fee](#) to the base exchange rate to form the final foreign exchange rate applied to your transaction. In some cases this final foreign exchange rate may be applied immediately and without notice to you.

Where a currency conversion is offered by PayPal to you when you make your transaction, you will be shown the exchange rate (which includes the [currency conversion fee](#)) that will be applied to the transaction before you proceed with authorizing the payment transaction. By proceeding with your

authorization of the payment transaction you are agreeing to the currency conversion on the basis of the exchange rate shown (which includes the currency conversion fee).

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### **Currency conversion choices**

When your payment is funded by a credit card, or debit card and PayPal determines a currency conversion is necessary, you consent to and authorize PayPal to convert the currency in place of your debit or credit card issuer. You may have the right to have your card issuer perform the currency conversion, if applicable for that card issuer and network. Currency preference selections may be presented to you in various forms, including a choice of which currency is used for the transaction, whether PayPal or your card issuer performs the conversion, or which conversion rate is used for the transaction, among others, and may be made available individually for each card and for each automatic payment agreement. If your card issuer converts the currency, your card issuer will determine the currency conversion rate and what fees they may charge.

If you qualify for Merchant rates, the currency conversion fees set out in the [Merchant Currency Conversion Table](#) will apply when if your received payments are in a currency other than the currency supported as stated in Automatic Withdrawal section.

### **Account Statements**

You have the right to receive an account statement showing your PayPal account activity. You may view your PayPal account statement by logging into your PayPal account.

### **Buying Something From, or Returning Something to, a Seller Who Accepts PayPal How to buy something**

You can buy something from a seller who accepts PayPal, in any currency that the seller accepts and that PayPal supports, using any [payment method](#) linked to your PayPal account. This includes, for example:

- Buying something at an online retailer's website and selecting PayPal as your payment method at checkout.
- Sending a payment to a seller for good or services.
- Using your PayPal account to buy something at a seller's physical store.

If the seller you are buying from sells goods or services and that seller does not already have a PayPal account, they can claim your payment by opening a PayPal account. If they don't open a PayPal account within 30 days, your purchase will be refunded.

In order to manage risk, PayPal may limit the payment methods available for a transaction when you buy something. In addition, payment methods may be limited for certain sellers or if you make a PayPal payment through certain third-party websites or applications.

When you authorize a payment to a seller who accepts PayPal, some sellers may take up to 30 days to complete the transaction. In these instances, your payment may appear as a pending order in your PayPal account. In that case, your authorization of the payment will remain valid until the seller completes the transaction (but no longer than 30 days). If you used a debit or credit card as the payment method, your debit or credit card issuer also may show a pending authorization for a period of time until they release the hold or receive a completed transaction. If your payment requires a currency conversion by us, the transaction exchange rate will be determined and applied as described in the [How we convert currency](#) section and may be the rate at the time the payment is processed.

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## Fees

When you buy something from a seller who accepts PayPal, you don't pay a fee to PayPal. If PayPal performs a currency conversion for your purchase, PayPal's transaction exchange rate (including our [currency conversion fee](#)) will be used.

Your credit card or debit card issuer may also charge you a separate fee for non-Mexican transactions.

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## Payment review

When PayPal identifies a potentially high-risk transaction, we review the transaction more closely before allowing it to proceed. When this happens, PayPal will place a hold on the transaction and notify the seller to delay shipping of the item. As a buyer, this may delay your receipt of the item you purchased. If we clear the transaction, we will notify the seller and direct them to ship the item. If we don't clear the transaction, we will cancel it and return the funds to you, unless we are legally required to take other action.

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## Automatic payments

You can agree with a seller who accepts PayPal to use PayPal as the payment method for future purchases with that seller. This agreement is between you and the seller and allows the seller to take funds from your PayPal account with your authorization on a one-time, regular or sporadic basis. Examples of automatic payments that can be arranged by you either with a seller or with PayPal include those that PayPal calls a "billing agreement," "subscription," "recurring payment," "reference transaction," "preauthorized debit or PAD", "preauthorized transfer" or "preapproved payment."

You may cancel an automatic payment up to 3 **Business Days** before the date of the next scheduled payment from your account settings or by contacting us through the [PayPal Help Center](#). Once an automatic payment is canceled, all future automatic payments under your agreement with that seller will be stopped. If you cancel an automatic payment, you may still owe the seller a payment for the purchase or have additional obligations to the seller for any goods or services that you receive but have not paid for.

If you have given advance authorization, either to a seller or to PayPal, that permits a seller to take or receive payments from your PayPal account on a regularly recurring basis (for example, every month or otherwise on a routine billing cycle), and if such payments will vary in amount, you have the right to advance notice of the amount and date of the transfer from the seller at least 10 days before the transfer is made. If the seller provides the option, you may choose to receive this advance notice only when the amount of your automatic payment will fall outside a range established between you and the seller.

If you have authorized an automatic payment and PayPal performs [currency conversion](#) for an automatic payment transaction, PayPal will use the transaction exchange rate (including PayPal's [currency conversion fee](#)) in effect at the time the automatic payment transaction is processed.

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## Refunds

When you buy something from a seller online using PayPal and the transaction is ultimately refunded, the payment will typically be refunded to the original payment method you used for the transaction if you used a credit card, debit card or if this is not possible, it will be treated as a [Received Payment](#) in terms of this agreement.

If PayPal performed a currency conversion for your transaction and a refund is issued:

- Within 1 day of the date of the original payment, the transaction exchange rate used at the time of the original payment will apply.
- Beyond 1 day of the date of the original payment, PayPal's transaction exchange rate on the date of the refund will apply.

Payments will be refunded in the currency you paid; or if we are unable to refund in the currency you paid, in your primary holding currency, or if we are unable to refund in your primary holding currency, then in Mexican Pesos.

## Payment Method Used for My Transaction

### Selecting a preferred payment method

You can choose any of the payment methods in your PayPal account as your preferred payment method. You can select a preferred payment method in your account preferences or in the PayPal app. There may be times when your preferred payment method cannot be used, for example, if you select a credit card that is expired.

You can set separate preferred payment methods for online transactions, in-store transactions and automatic payments with a seller.

If you have chosen a preferred payment method, it will be shown as the primary method of payment.

The availability of certain payment methods may be limited based on that particular seller or the third party website you are using to complete the transaction.

If you have not selected a preferred payment method, or your preferred payment method is unavailable, we will show you available payment methods, including the payment method you used most often or most recently, at the time of transaction. You can also click on the “Manage” link to see all of your available payment methods, or add a new one, and select a payment method during the transaction.

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### **Backup payment method**

Certain one-time online transactions may require that a backup funding method be used in the event that your selected or preferred payment method is unavailable. In those instances, the backup funding method may be displayed to you on your transaction review page, before you complete the transaction. Note that this only applies for one-time, online transactions, and not for in-store or automatic payments. If PayPal determines currency conversion is necessary for a transaction that also requires a backup payment method, you may not be able to separately choose whether PayPal or your card issuer performs the currency conversion on your backup payment method.

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### **Automatic payments**

Some sellers allow you to store PayPal as the way to pay when making purchases on their site, so you can check out faster. Often, this entails creating an agreement with the seller that permits them to request that we charge your PayPal account each time you make a purchase.

You can select a payment method for future purchases with a particular seller either at the time of creating the agreement or in your account settings on [www.paypal.mx](http://www.paypal.mx). For example, you can instruct your monthly movie subscription service to always charge your credit card for the monthly cost.

If your chosen payment method is unavailable (e.g. credit card expired), a particular agreement with a seller does not provide for the ability to specify a payment method, or if you have not designated a payment method for future transactions with a seller, the payment method used will be in the following order, if applicable: 1. debit card; 2. credit card; and 3. E-check.

You can cancel any agreement in your account settings on [www.paypal.mx](http://www.paypal.mx).

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### **E-check**

E-check is a payment method where you use your bank account as your payment method, and the payment is not received by the recipient until the transaction is processed from the bank. This process usually takes 3-5 **Business Days**, but this amount of time will increase if the payment is sent from a bank account located outside of Mexico.



## PayPal's Purchase Protection Program

When you buy something from a seller who accepts PayPal, you may be eligible for a refund under PayPal's Purchase Protection program. When applicable, PayPal's Purchase Protection program entitles you to reimbursement for the full purchase price of the item plus the original shipping costs you paid, if any. PayPal determines, in its sole discretion, whether your claim qualifies for the Purchase Protection program. PayPal's original determination is considered final, but you may be able to file an appeal of the decision with PayPal if you have new or compelling information not available at the time of the original determination or you believe there was an error in the decision-making process.

**IMPORTANT:** You may be required to return the item to the seller or other party we specify as part of the settlement of your claim. PayPal's Purchase Protection program does not entitle you to reimbursement for the return shipping costs that you may incur.

PayPal's Purchase Protection program may apply when you encounter these specific problems with a transaction:

You didn't receive your item from a seller (referred to as an "Item Not Received" claim), or  
You received an item, but the item isn't what you ordered (referred to as a "Significantly Not as Described" claim).

If you believe that a transaction made through your PayPal account was not authorized by you, this type of claim is different from the Purchase Protection program, and is described below under [Liability for Unauthorized Transactions and Other Errors](#).

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### Item Not Received claims

Your claim *will not* qualify for a refund under PayPal's Purchase Protection program for an Item Not Received claim if:

- You collect the item in person, or arrange for it to be collected on your behalf, including if you use PayPal in a seller's store location, or
- The seller has provided [proof of shipment](#) or [proof of delivery](#).

If the seller presents evidence that they delivered the goods to your address, PayPal may find in favor of the seller for an Item Not Received claim even if you claim you did not receive the goods.

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### Significantly Not As Described claims

An item may be considered Significantly Not as Described if:

- The item is materially different from the seller's description of it.

- You received a completely different item.
- The condition of the item was misrepresented. For example, the item was described as “new” but the item was used.
- The item was advertised as authentic but is not authentic (i.e. it is counterfeit).
- The item is missing major parts or features and those facts were not disclosed in the description of the item when you bought it.
- You purchased a certain number of items but didn’t receive them all.
- The item was damaged during shipment.
- The item is unusable in its received state and was not disclosed as such.

An item may not be considered Significantly Not as Described if:

- The defect in the item was correctly described by the seller in its description of the item.
- The item was properly described but you didn't want it after you received it.
- The item was properly described but did not meet your expectations.
- The item has minor scratches and was described as “used.”

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### **Ineligible items and transactions under PayPal’s Purchase Protection program**

Payments for the following are not eligible for reimbursement under PayPal Purchase Protection:

- Real estate, including residential property.
- Financial products or investments of any kind.
- Businesses (when you buy or invest in a business).
- Vehicles, including, but not limited to, motor vehicles, motorcycles, recreational vehicles, aircraft and boats.
- Significantly Not as Described claims for wholly or partly custom-made items or an item purchased from a classified listing and picked up in person.
- Donations including payments on crowdfunding platforms.
- Items prohibited by the PayPal [Acceptable Use Policy](#).
- For Item Not Received claims, items which you collect in person or arrange to be collected on your behalf, including items bought in a seller’s store location.
- Industrial machinery used in manufacturing.
- Anything purchased from, or an amount paid to, a government agency.

- Stored value items such as gift cards and pre-paid cards.
- Gambling, gaming and/or any other activity with an entry fee and a prize.
- Payments sent using PayPal to any bill payment service.
- Payments made using PayPal Payouts or guest checkout transactions (i.e. not sent using your PayPal account).
- Personal Payments

### Transaction eligibility for PayPal's Purchase Protection program

To be eligible for PayPal Purchase Protection you must meet all of the following requirements:

- You have a PayPal account in good standing.
- You pay for the eligible item from your PayPal account.
- You respond to PayPal's request for documentation and other information within the time requested.
- You open a dispute in the [Resolution Center](#) within 180 days of the date you sent the payment, then follow our online dispute resolution process.
- You have not received a recovery related to such purchase from another source.

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### Our online dispute resolution process

If you're unable to resolve a transaction related issue directly with a seller, you must follow our online dispute resolution process through the [Resolution Center](#) to pursue a claim under our Purchase Protection program. You may also file a claim (Step 2 below) by calling us and speaking to an agent. The steps you must follow are described below, and if you do not follow these steps your claim may be denied:

**Step 1: Open a dispute** within 180 days of the date you made the payment. This might allow you to start a direct conversation with the seller regarding your issue with the transaction that may help resolve the dispute. If you are unable to resolve the dispute directly with the seller, proceed to Step 2. We will place a **hold** on all funds related to the transaction in the seller's PayPal account until the dispute is resolved or closed.

**Step 2: Escalate the dispute to a claim** for reimbursement within 20 days after opening the dispute, if you and the seller are unable to come to an agreement, or we will automatically close the dispute. You can escalate the dispute to a claim for reimbursement through the [Resolution Center](#). The seller or PayPal may also escalate the dispute to a claim at this point. If you are making an Item Not Received claim, PayPal may ask you to wait at least 7 days from the transaction date to escalate the dispute.

**Step 3: Respond to PayPal’s requests for documentation or other information**, after you, the seller or PayPal escalates your dispute to a claim for reimbursement. PayPal may require you to provide receipts, third party evaluations, police reports or other documents that PayPal specifies. You must respond to these requests in a timely manner as requested in our correspondence with you.

**Step 4: Comply with PayPal’s shipping requests in a timely manner**, if you’re filing a Significantly Not as Described claim. PayPal may require you, at your expense, to ship the item back to the seller, to PayPal or to a third party (which will be specified by PayPal) and to provide proof of delivery.

**Proof of delivery means:**

For transactions that total less than \$10,000 MXN (or the equivalent threshold in foreign currencies in the table below), confirmation that can be viewed online and includes the delivery address showing at least city/country or postal code, delivery date, and the identity of the shipping company you used.

For transactions that total \$10,000 MXN (or the foreign currency threshold in the table below) or more, you must provide signature confirmation of delivery.

<b>Signature confirmation thresholds</b>			
Currency	Transaction value	Currency	Transaction value
Australian Dollar:	850 AUD	New Zealand Dollar:	950 NZD
Brazilian Real:	1,750 BRL	Norwegian Krone:	4,600 NOK
Canadian Dollar:	850 CAD	Philippine Peso:	34,000 PHP
Czech Koruna:	15,000 CZK	Polish Zlotych:	2,300 PLN
Danish Krone:	4,100 DKK	Russian Ruble:	48,000 RUB
Euro:	550 EUR	Singapore Dollar:	950 SGD
Hong Kong Dollar:	6,000 HKD	Swedish Krona:	4,950 SEK
Hungarian Forint:	170,000 HUF	Swiss Franc:	700 CHF

Signature confirmation thresholds			
Israeli Shekel:	2,700 ILS	Taiwan New Dollar:	23,000 TWD
Japanese Yen:	77,000 JPY	Thai Baht:	24,500 THB
Malaysian Ringgit:	3,100 MYR	U.K. Pounds Sterling:	450 GBP
Mexican Peso:	10,000 MXN	U.S. Dollar:	750 USD

**Step 5: PayPal will make a final decision** (including automatically closing any dispute or claim), in its sole discretion, based on the coverage and eligibility requirements set forth above, any additional information provided during the online dispute resolution process or any other information PayPal deems relevant and appropriate under the circumstances.

Note that when you are making Digital Goods Micropayments Purchases, there are special rules that apply and that include pre-determined thresholds where we may, at our discretion, reverse the transaction without requiring you to take further action. We may limit the number of automatic reversals that you benefit from, but, even if that is the case, you will still be able to follow PayPal's standard dispute resolution processes described above.

**Dispute with us or your card issuer**

If you used a credit card, debit card as the payment method for a transaction through your PayPal account and you are dissatisfied with the transaction, you may be entitled to dispute the transaction with your card issuer. Applicable card chargeback rights may be broader than those available to you under PayPal's Purchase Protection program. For example, if you dispute a transaction with your card issuer, you may be able to recover amounts you paid for unsatisfactory items even if they don't qualify for protection under a Significantly Not as Described claim with us.

You must choose whether to pursue a dispute with PayPal under our Purchase Protection program, or to pursue the dispute with your card issuer. You can't do both at the same time or seek a double recovery. If you pursue a dispute/claim with us and you also pursue a dispute for the same transaction with your card issuer, we'll close your dispute/claim with us. This won't affect the dispute process with your card issuer. In addition, if you pursue a dispute with your card issuer, you cannot pursue a dispute/claim with us later.

If you choose to dispute a transaction with PayPal and we decide against you, you can seek to pursue the dispute with your card issuer later. If PayPal does not make a final decision on your claim until after your card issuer's deadline for filing a dispute, and because of our delay you recover less than the full

amount you would have been entitled to recover from the card issuer, we will reimburse you for the remainder of your loss (minus any amount you have already recovered from the seller or your card issuer). Before contacting your card issuer or filing a dispute with PayPal, you should contact the seller to attempt to resolve your issue in accordance with the seller's return policy.

## **Accepting Payments From Buyers for Goods and Services**

### **Receiving personal payments**

If you use your PayPal account to receive payments for the sale of goods or services or accept donations, you must pay any applicable fees for receiving the funds.

By integrating into your online checkout/platform any functionality intended to enable a payer without a PayPal account to send a payment to your PayPal account, you agree to all further terms of use of that functionality which PayPal will make available to you on any page on the PayPal or Braintree website (including any page for developers and our [Legal Agreements](#) page) or online platform. Such further terms include the [PayPal Alternative Payment Methods](#) Agreement.

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### **No surcharges**

You agree that you will not impose a surcharge or any other fee for accepting PayPal as a payment method. You may charge a handling fee in connection with the sale of goods or services as long as the handling fee does not operate as a surcharge and is not higher than the handling fee you charge for non-PayPal transactions.

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### **Presentation of PayPal**

You must treat PayPal payment methods or marks at least on par with any other payment methods offered at your points of sale, wherever PayPal's branded services are integrated including your websites or mobile applications. This includes at least equal or better: logo placement, position within any point of sale, and treatment in terms of payment flow, terms, conditions, restrictions, and fees, in each case as compared to other marks and payment methods at your points of sale. Further, you must not present any payment method or mark upstream (or at an earlier point in the checkout experience) from the presentment of any of PayPal's services or marks.

In representations to your customers or in public communications, you must not mischaracterize any PayPal service as a payment method or exhibit a preference for other payment methods over any PayPal service. Within all of your points of sale, you agree not to try to dissuade or inhibit your customers from using PayPal or encourage the customer to use an alternate payment method. If you enable your customers to pay you with PayPal, whenever you display or exhibit the payment methods that you accept (either within any point of sale or in your marketing materials, advertising and other customer communications) you agree to display the PayPal services payment marks at least as prominently, and in at least as positive a manner, as you do for all other payment methods.

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## **Taxes and information reporting**

Some of our fees may be subject to applicable taxes, levies, duties or similar governmental assessments, including, for example, value-added, sales, use or withholding taxes, assessable by any jurisdiction (collectively, “taxes”) and, unless expressly noted, our fees are exclusive of applicable taxes. It is your responsibility to determine what, if any, taxes apply to the payments you make or receive, and it is solely your responsibility to assess, collect, report and remit the correct taxes to the appropriate authority. PayPal is not responsible for determining whether any taxes apply to your transaction, or for calculating, collecting, reporting or remitting taxes arising from any transaction.

**Fees** charged by PayPal to all users will be subject to the applicable standard rate of Value Added Tax (“VAT”).

Subject to certain conditions, you will be able to obtain VAT invoices on a monthly basis, issued in compliance with local law. The details of such conditions, as well as all other details pertaining the generation and retrieval of said invoices, will be published on the PayPal website, and communicated to you separately.

All Fees related to the PayPal services are made free and clear of, and without any deduction or withholding for and on account of, any taxes, duties or other deductions. Any such deduction or withholding, if required by the laws of any country are your sole responsibility.

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## **Your refund policy and privacy policy**

You must publish a refunds and return policy, as well as a privacy policy, where required by law.

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## **Payment review**

PayPal reviews certain potentially high-risk transactions. If PayPal determines, in its sole discretion, that a transaction is high-risk, we place a hold on the payment and provide notice to you to delay shipping of the item. PayPal will conduct a review and either complete or cancel the payment. If the payment is completed, PayPal will provide notice to you to ship the item. Otherwise, PayPal will cancel the payment and the funds will be returned to the buyer, unless we are legally required to take other action. All payments that complete this payment review will be eligible for PayPal Seller Protection coverage if they meet the PayPal Seller Protection requirements. We will notify you by email and/or through your PayPal account.

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## **In-store payments**

If you accept PayPal payments at your physical store, you must communicate the total amount of the transaction to the customer before it takes place. You may charge your customer’s account only for transactions that they have authorized. You must also provide customers with a physical receipt if they

request one. You agree that any transaction that you make shall have an accurate and true description of the goods and services being purchased.

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### Marketplace sellers

If you're a seller on a marketplace or through a third-party application where PayPal is offered, you must comply with any rules that apply to the marketplace's or the third party application's buyer protection program for sales you make through that forum. Any such protections may require you to take certain actions and may impact how claims are processed.

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### Card not present transactions

Whenever a buyer uses a debit or credit card as the payment method for a transaction using their account to buy something from you as a seller, the transaction will be processed as a "card not present" transaction, even if the buyer is at your store location.

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### Accepting preauthorized payments

As a seller, you can accept payments from a buyer's account through preauthorized payments either on a one-time, regular or sporadic basis. This type of transaction is sometimes called a "billing agreement," "subscription," "recurring payment," "reference transaction," "pre-approved payment " or "automatic payment."

If you receive preauthorized payments from buyers:	
You must:	You must not:
Get each buyer's prior authorization for the amount, frequency, and duration of any such payment.	Restart future payments without the buyer's written authorization, if a buyer has stopped or canceled a preauthorized payment.
Provide a simple and easily accessible online cancellation procedure, if buyers sign up for preauthorized payments online.	
Provide buyers the ability to stop any such payment up to 3 <a href="#">Business Days</a> before the date scheduled for payment.	
Notify the buyer at least 10 days in advance of the amount and date of each preauthorized payment if the preauthorized payment will vary from the preauthorized amount or (at the buyer's option) any payment that is in an amount that falls outside of the pre-determined range.	



## Transaction Fees for Online and In-Store Payments

### Standard transactions fees

Your PayPal transaction fees depend on the buyer's country/region and whether you are a registered charity. Your registered charity status must be documented with us to receive the rates applicable to charitable organizations. The fees you pay when selling goods or services, where the buyer pays using their PayPal account or using another authorized wallet, can be found on the [Merchant Services Fees](#) page and [Charitable Organizations Fees](#). Please note that:

- We may adjust the fees applicable to future transactions that you process using PayPal. We will provide you at least 30 days' advance notice of any fee increase or the introduction of a new type of fee.
- If you refund (partially or fully) a transaction to a buyer or a donation to a donor, there are no fees to make the refund, but the fees you originally paid as the seller will not be returned to you.

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### Micropayments Fees

You may qualify to receive micropayments pricing for the sale of goods and services through your PayPal account. In order to qualify, you must have a PayPal account that is in good standing (for example, no limitations or negative PayPal balance), and you must submit an application and have it approved by us. If your PayPal account is approved to accept micropayments, then the fees found on the [Micropayment Fees table](#) will apply to all transactions for the sale of goods or services processed through your PayPal account, instead of [Merchant Services Fees](#). If you have multiple PayPal accounts, you must route your micropayments transactions through the appropriate account. Once a transaction is processed, PayPal will not re-route the transaction through a different account.

If a buyer opens a dispute, PayPal may reverse the transaction, and remove the funds from your account without requiring the buyer to escalate the dispute to a claim.

### Refunds, Reversals and Chargebacks

#### General information

If you receive a payment for selling goods or services that is later refunded or invalidated for any reason, you are responsible for the full amount of the payment sent to you plus any fees (including any applicable [chargeback fee](#) described below). Whenever a transaction is refunded or otherwise reversed, PayPal will refund or reverse the transaction from your PayPal account in the same currency as the original transaction. If the funds in your PayPal account for a particular currency is insufficient to cover the amount of a refund or reversal, PayPal will perform a currency conversion in order to refund or reverse the transaction. PayPal's transaction exchange rate (including our [currency conversion fee](#)) at the time the refund or reversal is processed will be used.

If you refund a payment for goods or services (partially or fully), there are no fees to make the refund, but the fees you originally paid as the seller will not be returned to you. The amount of the refunded payment will be deducted from your PayPal account.

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## Payments that are invalidated and reversed

Payments to you may be invalidated and reversed by PayPal if:

- You lose a PayPal Purchase Protection claim submitted to us by a buyer, including as a result of your failure to respond in a timely manner.
- Your buyer pursues a chargeback related to a card-funded transaction and the transaction is not eligible for [PayPal Seller Protection](#). The card issuer, not PayPal, determines whether a buyer is successful when they pursue a chargeback related to a card-funded transaction.
- You do not fulfill the transaction as promised or you cannot provide [proof of shipment or proof of delivery](#) when required.
- eBay decides against you under its Money Back Guarantee program (and you haven't opted out).
- Our investigation of a bank reversal made by a buyer or the buyer's bank finds that the transaction was fraudulent.
- PayPal sent the payment to you in error.
- The payment was unauthorized.
- You received the payment for activities that violated this user agreement or any other agreement between you and PayPal.

When you receive a payment, you are liable to PayPal for the full amount of the payment sent to you plus any fees if the payment is later invalidated for any reason. If the buyer paid in another currency, the full amount of the payment sent to you may be calculated in that currency, using PayPal's transaction exchange rate (including our [currency conversion fee](#)) at the time the refund or reversal is processed. If your PayPal balance is insufficient to cover your liability for the payment amount plus the fees, then this will result in a negative PayPal balance. Any negative PayPal balance represents an amount that you owe to us, and, in this situation, you must immediately add funds to your PayPal balance to eliminate it. If you do not do so, PayPal may:

- engage in collection efforts to recover such amounts from you;
- take any and all action as outlined under [Amounts owed to PayPal](#); or
- place a limitation or take other action on your PayPal account as outlined under [Restricted Activities and Holds](#).

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## Chargeback fees

If you receive a debit or credit card-funded payment through your PayPal account and the buyer pursues a chargeback for the transaction with their card issuer, then PayPal will not assess you with a chargeback fee if the transaction is eligible for [PayPal Seller Protection](#). However, if the transaction is ineligible for

PayPal Seller Protection, PayPal will assess you with a chargeback fee (for facilitating the chargeback process) regardless of whether the buyer is successful in pursuing the chargeback with the card issuer.

The applicable chargeback fee will be deducted from your PayPal account. The chargeback fee is the amount specified on the [Chargeback Fees table](#) in the currency of the original transaction. If you do not have the correct currency available in your PayPal account at the time of the refund or reversal, a [currency conversion](#) will be required and a [currency conversion fee](#) will apply.

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### Impact of various purchase protection processes on sellers

You should read and understand [PayPal's Purchase Protection](#) program and if you sell goods and services to buyers with PayPal accounts in countries other than your own, you should also be familiar with the purchase protection available to buyers in each of those countries. Buyers' rights under these programs may impact you as a seller. You can find this information for PayPal's programs on the [Legal Agreements](#) page by selecting your buyer's location at the top of the page and referring to the applicable user agreement for that geography.

If you lose a claim under PayPal's Purchase Protection program in any country:

- You must forfeit the full purchase price of the item plus the original shipping cost (and in some cases you may not receive the item back).
- You will not receive a refund of the PayPal fees that you paid in connection with the sale.
- If the claim was that the item received was Significantly Not as Described, you will generally be required to accept the item back.
- If the claim was that the item received was "Significantly Not as Described" and related to an item you sold that is counterfeit, you will be required to provide a full refund to the buyer and you may not receive the item back.

If you accept PayPal payments from buyers for goods or services you sell through eBay, then you need to read and understand the eBay Money Back Guarantee program. Unless you opt out by calling eBay, PayPal will treat eBay's decisions in favor of your buyers under that program as a basis for reversing a PayPal payment made to you. If your PayPal balance is insufficient to cover the amount, we may:

- Place a hold on your PayPal account until sufficient funds become available in your PayPal account to cover such claim; or
- Create a negative balance in your PayPal account.

### PayPal's Seller Protection Program

#### What's eligible

If you sell something to a buyer and the transaction is later disputed or reversed under [Reversals, Claims or Chargebacks](#), you may be eligible for reimbursement under PayPal's Seller Protection program. When it applies, PayPal's Seller Protection program entitles you to retain the full purchase

amount and we will waive any related chargeback fees paid (for debit and credit card-funded transactions). There is no limit on the number of payments for which you can receive coverage. By accessing the transaction details page in your PayPal account you can determine whether or not your transaction is eligible for protection under this program.

PayPal's Seller Protection program may apply when a buyer claims that:

- They did not authorize or benefit from funds sent from their PayPal account (referred to as an "[Unauthorized Transaction](#)" claim); or
- They buyer didn't receive the item from you (referred to as an "[Item Not Received](#)" claim).

PayPal's Seller Protection program may also apply when a transaction is reversed because of a successful chargeback by a buyer or when a bank funded payment is reversed by the buyer's bank.

This section describes PayPal's Seller Protection program as it applies to you, but you should also be familiar with the [Impact of various purchase protection processes on sellers](#).

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## Basic requirements

To be eligible for PayPal's Seller Protection, you must meet all of the following requirements:

- The primary address for your PayPal account must be in Mexico.
- You provide us with valid proof of shipment or proof of delivery.
- For eligible tangible items, you must ship the item to the shipping address on the transaction details page in your PayPal account for the transaction or list the item for sale in a classified advertisement and complete the transaction in person. If you originally ship the item to the recipient's shipping address on the transaction details page but the item is later redirected to a different address, you will not be eligible for PayPal Seller Protection. We therefore recommend not using a shipping service that is arranged by the buyer, so that you will be able to provide valid proof of shipping and delivery.
- You must respond to PayPal's requests for documentation and other information in a timely manner as requested in our email correspondence with you or in our correspondence with you through the [Resolution Center](#). If you do not respond to PayPal's request for documentation and other information in the time requested, you may not be eligible for Seller Protection.
- If the sale involves pre-ordered or made-to-order goods, you must ship within the timeframe you specified in the listing. Otherwise, it is recommended that you ship all items within 7 days after receipt of payment.

## Item Not Received additional requirements

To be eligible for PayPal's Seller Protection program for a buyer's Item Not Received claim, you must meet both the basic requirements listed above and the additional requirements listed below:

- Where a buyer files a chargeback with the issuer for a card-funded transaction, the payment must be marked “eligible” for PayPal’s Seller Protection on the Transaction Details page.
- You must provide [proof of delivery](#) as described below.

### Unauthorized Transactions additional requirements

To be eligible for PayPal’s Seller Protection program for a buyer’s Unauthorized Transaction claim, you must meet both the basic requirements listed above and the additional requirements listed below:

- The payment must be marked “eligible” or “partially eligible” for PayPal’s Seller Protection on the Transaction Details page.
- The payment must have been made in connection with a transaction where the buyer logged into their PayPal account to complete the transaction. That is, transactions that you complete, on the buyer’s behalf pursuant to an agreement with that buyer, where PayPal is stored as the payment method (such as [automatic payments](#)) do not qualify for protection from Unauthorized Transactions under PayPal’s Seller Protection program.
- You must provide proof of shipment or proof of delivery as described below unless the payment was for an item that was listed for sale in a classified advertisement and you completed the transaction in person.

### Establishing proof of delivery or proof of shipment

The following is required as:	
Proof of shipment	Proof of delivery
<p>Online or physical documentation from a shipping company that includes:</p> <ul style="list-style-type: none"> <li>Date of shipment</li> <li>An address for the recipient that matches the shipping address on the transaction details page</li> <li>An address for the recipient showing at least the city/state, country or postal zip code (or international equivalent).</li> </ul>	<p>You’ll need to provide compelling evidence that the item was delivered or the service was fulfilled. Compelling evidence could include a system record showing the date the item was sent and that it was either:</p> <ul style="list-style-type: none"> <li>• Electronically sent to the recipient; or</li> <li>• Received or accessed by the recipient.</li> </ul> <p>The proof of delivery for tangible items is online or physical documentation from a shipping company that includes: Date of delivery and/or “delivered” status of the item or service. Signature confirmation, if the full amount of the payment including shipping and taxes exceeds a fixed amount (based on the currency of the payment) from the signature confirmation threshold table below. Signature confirmation is online documentation, viewable at the shipping company’s website, indicating that the item was signed for.</p>

	<p><b>IMPORTANT:</b> Your choice of carrier and shipment options with that carrier can have a big impact on your ability to meet the proof of delivery requirements. Please ensure, especially when shipping goods internationally, that your carrier can provide ‘delivered’ status at the correct address, or your Seller Protection claim may be denied.</p>
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<b>Signature confirmation thresholds</b>			
Currency	Transaction value	Currency	Transaction value
Australian Dollar:	850 AUD	New Zealand Dollar:	950 NZD
Brazilian Real:	1,750 BRL	Norwegian Krone:	4,600 NOK
Canadian Dollar:	850 CAD	Philippine Peso:	34,000 PHP
Czech Koruna:	15,000 CZK	Polish Zlotych:	2,300 PLN
Danish Krone:	4,100 DKK	Russian Ruble:	48,000 RUB
Euro:	550 EUR	Singapore Dollar:	950 SGD
Hong Kong Dollar:	6,000 HKD	Swedish Krona:	4,950 SEK
Hungarian Forint:	170,000 HUF	Swiss Franc:	700 CHF
Israeli Shekel:	2,700 ILS	Taiwan New Dollar:	23,000 TWD
Japanese Yen:	77,000 JPY	Thai Baht:	24,500 THB
Malaysian Ringgit:	3,100 MYR	U.K. Pounds Sterling:	450 GBP
Mexican Peso:	10,000 MXN	U.S. Dollar:	750 USD

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### **Ineligible items and transactions**

Your sale **is not** eligible for coverage under PayPal’s Seller Protection program if:

- It involves digital goods. Digital goods are delivered and used in an electronic format, like a song delivered online or through a mobile application.
- The buyer claims (either with us or their card issuer) that the item you sent isn’t what was ordered (referred to as a “Significantly Not as Described” claim).

- It involves an item that PayPal determines, in its sole discretion, is a counterfeit item.
- It involves an item that you deliver in person, including in connection with a payment made in your store location.
- It involves sales that are not processed either through a buyer's PayPal account or a PayPal guest checkout transaction.
- It involves items equivalent to cash including gift cards.
- It involves a donation.
- It relates to the purchase of a financial product or investment of any kind.
- The item is a vehicle, including, but not limited to a motor vehicle, motorcycle, recreational vehicle, aircraft or boat.

### **Ineligible sellers**

If PayPal determines that you had an excessive number of claims, chargebacks, or reversals during a given period, you may become ineligible for PayPal Seller Protection. In such an event, PayPal will send you with a written notice. If subsequently the number of claims, chargeback or reversals in your Account reduces, you may become eligible for PayPal Seller Protection again and in such case, PayPal will notify you in writing of your eligibility.

### **Restricted Activities**

In connection with your use of our websites, your PayPal account, the PayPal services, or in the course of your interactions with PayPal, other PayPal customers, or third parties, you will not:

- Breach this user agreement, the PayPal [Acceptable Use Policy](#), or any **other agreement** between you and PayPal.
- Violate any law, statute, ordinance, or regulation (for example, those governing financial services, consumer protections, unfair competition, anti-discrimination or false advertising).
- Infringe PayPal's or any third party's copyright, patent, trademark, trade secret or other intellectual property rights, or rights of publicity or privacy.
- Sell counterfeit goods.
- Act in a manner that is defamatory, trade libelous, threatening or harassing.
- Provide false, inaccurate or misleading information to PayPal, other users or third parties.
- Send or receive what we reasonably believe to be potentially fraudulent funds or engage in potentially fraudulent or suspicious activity and/or transactions.
- Refuse to cooperate in an investigation or provide confirmation of your identity or any information you provide to us.
- Receive or attempt to receive during the course of a dispute funds from both PayPal and the seller, bank or card issuer for the same transaction.

- Control an account that is linked to another account that has engaged in any of these restricted activities.
- Conduct your business or use the PayPal services in a manner that results in or may result in
  - complaints;
  - requests by buyers (either filed with us or card issuers) to invalidate payments made to you; or;
  - fees, fines, penalties or other liability or losses to PayPal, other PayPal customers, third parties or you.
    - Use your PayPal account or the PayPal services in a manner that PayPal, Visa, MasterCard, American Express, Discover or any other electronic funds transfer network reasonably believes to be an abuse of the card system or a violation of card association or network rules.
- Allow your PayPal account to have a negative PayPal balance.
- Provide yourself a cash advance from your credit card (or help others to do so).
- Access the PayPal services from a country that is not included on PayPal's [permitted countries list](#);
- Take any action that imposes an unreasonable or disproportionately large load on our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or the PayPal services; facilitate any viruses, trojan horses, malware, worms or other computer programming routines that attempts to or may damage, disrupt, corrupt, misuse, detrimentally interfere with, surreptitiously intercept or expropriate, or gain unauthorized access to any system, data, information or PayPal services; use an anonymizing proxy; use any robot, spider, other automatic device, or manual process to monitor or copy our websites without our prior written permission; or use any device, software or routine to bypass our robot exclusion headers; or interfere or disrupt or attempt to interfere with or disrupt our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, any of the PayPal services or other users' use of any of the PayPal services.
- Take any action that may cause us to lose any of the services from our Internet service providers, payment processors, or other suppliers or service providers.
- Use the PayPal services to test credit card behaviors.
- Circumvent any PayPal policy or determinations about your PayPal account such as temporary or indefinite suspensions or other account holds, limitations or restrictions, including, but not limited to, engaging in the following actions: attempting to open new or additional PayPal account(s) when an account has a negative PayPal balance or has been restricted, suspended or otherwise limited; opening new or additional PayPal accounts using information that is not your own (e.g. name, address, email address, etc.); or using someone else's PayPal account;
- Harass and/or threaten our employees, agents, or other users;
- Have a credit score from a credit reporting agency that indicates a high level of risk associated with your use of the PayPal Services.
- Abuse of the Dispute Resolution process and/or PayPal Buyer Protection.



## **Actions We May Take if You Engage in Any Restricted Activities**

If we believe that you've engaged in any of these activities, we may take a number of actions to protect PayPal, its customers and others at any time in our sole discretion. The actions we make take include, but are not limited to, the following:

- Terminate this user agreement, limit your PayPal account, and/or close or suspend your PayPal account, immediately and without penalty to us;
- Refuse to provide the PayPal services to you in the future;
- Limit your access to our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, your PayPal account or any of the PayPal services, including limiting your ability to pay or send payments with any of the payment methods linked to your PayPal account, restricting your ability to send payments or make withdrawals;
- Hold your PayPal balance for up to 180 days if reasonably needed to protect against the risk of liability or if you have violated our [Acceptable Use Policy](#);
- Suspend your eligibility for PayPal's Purchase Protection program and/or PayPal's Seller Protection program;
- Contact buyers who have purchased goods or services from you using PayPal, your bank or credit card issuer, other impacted third parties or law enforcement about your actions;
- Update inaccurate information you provided us;
- Take legal action against you;
- If you've violated our [Acceptable Use Policy](#), then you're also responsible for damages to PayPal caused by your violation of this policy; or
- If you violate the Acceptable Use Policy, then in addition to being subject to the above actions you will be liable to PayPal for the amount of PayPal's damages caused by your violation of the Acceptable Use Policy. You acknowledge and agree that \$2,500.00 USD (or equivalent) per transaction or violation of the Acceptable Use Policy is presently a reasonable minimum estimate of PayPal's actual damages considering all currently existing circumstances, including the relationship of the sum to the range of harm to PayPal that reasonably could be anticipated because, due to the nature of the violations of the Acceptable Use Policy, actual damages would be impractical or extremely difficult to calculate. PayPal may deduct such damages directly from any existing PayPal balance in any PayPal account you control.

If we close your PayPal account or terminate your use of the PayPal services for any reason, we'll provide you with notice of our actions and make any unrestricted funds held in your PayPal account available for withdrawal.

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 this agreement, and/or your use of the PayPal services.

## **Holds, Limitations and Reserves**

### **What are holds, limitations and reserves**

Under certain circumstances, in order to protect PayPal and the security and integrity of the network of buyers and sellers that use the PayPal services, PayPal may take account-level or transaction-level actions. Unless otherwise noted, if we take any of the actions described here, we'll provide you with notice of our actions, but we retain the sole discretion to take these actions. To request information in connection with an account limitation, hold or reserve, you should visit the [Resolution Center](#) or follow the instructions in our email notice with respect to the limitation, hold or reserve.

Our decision about holds, limitations and reserves may be based on confidential criteria that are essential to our management of risk and the protection of PayPal, our customers and/or service providers. We may use proprietary fraud and risk modeling when assessing the risk associated with your PayPal account. In addition, we may be restricted by regulation or a governmental authority from disclosing certain information to you about such decisions. We have no obligation to disclose the details of our risk management or security procedures to you.

In order to facilitate PayPal's actions described above and allow us to assess the level of risk associated with your PayPal account, you agree to cooperate with PayPal's reasonable requests for financial statements and other documentation or information in a timely fashion.

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## **Holds**

A hold is an action that PayPal may take under certain circumstances either at the transaction level or the account level. When PayPal places a temporary hold on a payment, the funds are not available to either the sender or the recipient. PayPal reviews many factors before placing a hold on a payment, including: account tenure, transaction activity, business type, past customer disputes, and overall customer satisfaction. Some common situations where PayPal will hold payments include:

- New sellers or sellers who have limited selling activity.
- Payments for higher-risk categories like electronics or tickets.
- Sellers who have performance issues, or a high rate of buyer dissatisfaction or disputes.

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## **Holds based on PayPal's risk decisions**

We may place a hold on payments sent to your PayPal account if, in our sole discretion, we believe that there may be a high level of risk associated with you, your PayPal account, or your transactions or that placing such a hold is necessary to comply with regulatory requirements. We make decisions about whether to place a payment hold based on a number of factors, including information available to us from both internal sources and third parties. When we place a hold on a payment, the funds will appear in your PayPal account with an indication that they are unavailable or pending. We'll notify you, either through your PayPal account or directly by phone or email, whenever we place a hold.

Risk-based holds generally remain in place for up to 30 days from the date the payment was received into your PayPal account. We may release the hold earlier under certain circumstances (for example, if

you've uploaded shipment tracking information related to the transaction), but any earlier release is at our sole discretion. The hold may last longer than 30 days if the payment is challenged as a payment that should be invalidated and reversed based on a disputed transaction as discussed in the following paragraph below. In this case, we'll hold the payment in your PayPal account until the matter is resolved (but no longer than 180 days).

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### **Holds related to Marketplace transactions**

If you're a seller on a marketplace or through a third-party application where PayPal is offered, a hold may be placed on a payment sent to you at the instruction of the applicable marketplace or third-party. This is done once you have granted us permission to have your funds held and will be in accordance with your agreement with the third-party. These holds will appear in your PayPal account. If you have questions about why the applicable marketplace or third party instructed PayPal to put these holds in place, you will need to contact the marketplace or third-party directly.

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### **Holds based on disputed transactions**

If a payment sent to you as a seller is challenged as a payment that should be invalidated and reversed, we may place a temporary hold on the funds in your PayPal account to cover the amount that could be reversed. Any of the situations described under [Refunds, Reversals and Chargebacks](#) are situations that could result in us placing a hold on a payment. If we determine the transaction should not be reversed, we'll lift the temporary hold. If we determine the transaction should be reversed, we'll remove the funds from your PayPal account.

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### **Account Limitations**

Limitations prevent you from completing certain actions with your PayPal account, such as withdrawing, sending payments or receiving funds. These limitations are implemented to help protect PayPal, buyers and sellers when we notice [restricted activities](#), an increased financial risk, or activity that appears to us as unusual or suspicious. Limitations also help us collect information necessary for keeping your PayPal account open.

There are several reasons why your PayPal account could be limited, including:

- If we suspect someone could be using your PayPal account without your knowledge, we'll limit it for your protection and look into the fraudulent activity.
- If your debit or credit card issuer alerts us that someone has used your card without your permission. Similarly, if your bank lets us know that there have been unauthorized transfers between your PayPal account and your bank account.
- In order to comply with applicable law.
- If we reasonably believe you have breached this agreement or violated the [Acceptable Use Policy](#).

- Seller performance indicating your PayPal account is high risk. Examples include: indications of poor selling performance because you've received an unusually high number of claims and chargebacks selling an entirely new or high cost product, or if your typical sales volume increases rapidly.

You will need to resolve any issues with your account before a limitation can be removed. Normally, this is done after you provide us with the information we request. However, if we reasonably believe a risk still exists after you have provided us that information, we may take action to protect PayPal, our users, a third party, or you from reversals, fees, fines, penalties, legal and/or regulatory risks and any other liability.

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## Reserves

We may place a reserve on your PayPal account if we believe there may be a high level of risk associated with you, your PayPal account, your business model, or your transactions. When we place a reserve on your PayPal account, it means that all or some portion of the funds in your PayPal account is reserved as unavailable for withdrawal in order to protect against the risk of transactions made by you being reversed or invalidated or any other risk related to your PayPal account or use of the PayPal services. We make decisions about whether to place a reserve based on a number of factors, including information available to us from both internal sources and from third parties.

- PayPal considers a list of non-exclusive factors and whether and how these factors have changed over time, including:
- How long you have been in business.
- Whether your industry has a higher likelihood of chargebacks.
- Your payment processing history with PayPal and other providers.
- Your business and/or personal credit history.
- Your delivery time frames.
- Whether you have higher than average number of returns, chargebacks, claims or disputes.

There are two types of reserves that may be placed on your PayPal account, and one or both may be applied at the same time:

- **A Rolling reserve** is a reserve where a percentage of each transaction you receive each day is held and then released later on a scheduled basis. For example, your reserve could be set at 10% and held for a 90-day rolling period – meaning 10% of the funds you receive on day 1 is held and then released on day 91, 10% of the funds you receive on day 2 is held until day 92, etc. Rolling reserves are the most common type of reserve.
- **A Minimum reserve** is a specific minimum amount that you're required to keep available in your PayPal balance at all times. The minimum reserve is either taken as an upfront amount deposited all at once or is established on a rolling basis from percentages of sales until the minimum reserve is achieved, much like a rolling reserve.

If we place a reserve on funds in your account, the funds will be shown as “pending and we’ll notify you of the terms of the reserve.

If we change the terms of the reserve due to a change in our risk assessment, we’ll notify you of the new terms.

### **Court Orders, Regulatory Requirements or Other Legal Process**

If we are notified of a court order or other legal process (including garnishment or any equivalent process) affecting you, or if we otherwise believe we are required to do so in order to comply with applicable law or regulatory requirements, we may be required to take certain actions, including holding payments to/from your PayPal account, placing a reserve or limitation on your PayPal account, or releasing your funds. We will decide, in our sole discretion, which action is required of us. Unless the court order, applicable law, regulatory requirement or other legal process requires otherwise, we will notify you of these actions. We do not have an obligation to contest or appeal any court order or legal process involving you or your PayPal account. When we implement a hold, reserve or limitation as a result of a court order, applicable law, regulatory requirement or other legal process, the hold, reserve or limitation may remain in place longer than 180 days.

### **Other Legal Terms**

#### **Communications Between You and Us**

You agree that PayPal and its affiliates may contact you by email for marketing purposes. You may opt-out of receiving marketing communications when you open a PayPal account, by changing your account preferences on or by clicking on the unsubscribe link in any PayPal email or receipt you receive from us. Please allow up to 10 Business Days for the opt-out to take effect. We will provide factual information about your account or the PayPal Services, even if you have opted-out of receiving marketing communications.

If you provide us your mobile phone number, you agree that PayPal and its affiliates may contact you at that number using autodialed or prerecorded message calls or text messages to: (i) service your PayPal accounts, (ii) market PayPal Products and Services (iii) investigate or prevent fraud, or (iv) collect a debt. We will not use autodialed or prerecorded message calls or texts to contact you for marketing purposes unless we receive your prior consent. We may share your mobile phone number with service providers with whom we contract to assist us with the activities listed above, but will not share your mobile phone number with third parties for their own purposes without your consent. You do not have to agree to receive autodialed or prerecorded message calls or texts to your mobile phone number in order to use and enjoy the products and services offered by PayPal.

PayPal may communicate with you about your PayPal account and the PayPal services electronically. You will be considered to have received a communication from us, if it’s delivered electronically, 24 hours after the time we post it to our website or email it to you. You will be considered to have received a communication from us, if it’s delivered by mail, 3 [Business Days](#) after we send it.

Unless you’re communicating with us about a matter where we’ve specified another notice address (for example, our [Liability for Unauthorized Transactions and Other Errors](#) process), written notices to

PayPal must be sent by mail to: Operadora PayPal de México, S. de R.L. de C.V., Attention: Legal Department, Avenida Mariano Escobedo 476, Piso 14, Col. Anzures, Alcadia Miguel Hidalgo, México City, México, C.P. 11590.

You understand and agree that, to the extent permitted by law, PayPal may, without further notice or warning, monitor or record telephone conversations you or anyone acting on your behalf has with PayPal or its agents for quality control and training purposes or for our own protection. You acknowledge and understand that while your communications with PayPal may be overheard, monitored, or recorded not all telephone lines or calls may be recorded by PayPal, and PayPal does not guarantee that recordings of any particular telephone calls will be retained or retrievable.

### **PayPal's Rights**

#### **PayPal suspension and termination rights**

PayPal, in its sole discretion, reserves the right to suspend or terminate this user agreement, 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 for any reason and at any time upon notice to you and, upon termination of this user agreement, the payment to you of any unrestricted funds held in your PayPal account.

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### **Security interest**

As security for the performance of your obligations under this user agreement, you grant to PayPal a lien on, and security interest in and to, your PayPal balance in the possession of PayPal.

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### **Amounts owed to PayPal**

If your PayPal account becomes negative for any reason, this represents an amount you owe to PayPal. PayPal may deduct amounts owed from funds that are added to your PayPal account later, either by you or from payments you receive. If you have more than one PayPal account, we may set off one PayPal account against amounts in your other PayPal account(s). If you continue using your PayPal account when it is negative, you authorize PayPal to combine the negative amounts owed with any debit or transaction sent from your account when that combination is disclosed to you in advance of initiating the debit or transaction.

If you hold funds in a PayPal account in multiple currencies, and one of the currencies becomes negative for any reason, PayPal may set off the negative amount by using funds you maintain in a different currency. A [currency conversion](#) will be necessary, and PayPal's transaction exchange rate (including our [currency conversion fee](#)) will be used.

In addition to the above, if you have a past due amount owed to us or our affiliates, PayPal may debit your PayPal account to pay any amounts that are past due.

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### **Insolvency proceedings**

If any proceeding by or against you is commenced under any provision of any other bankruptcy or insolvency law, we'll be entitled to recover all reasonable costs or expenses (including reasonable legal fees and expenses) incurred in connection with the enforcement of this user agreement.

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### **Assumption of rights**

If PayPal invalidates and reverses a payment that you made to a recipient (either at your initiative or otherwise), you agree that PayPal assumes your rights against the recipient and third parties related to the payment, and may pursue those rights directly or on your behalf, in PayPal's discretion.

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### **No waiver**

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

### **Indemnification and Limitation of Liability**

In this section, we use the term "PayPal" to refer to Operadora PayPal de México S. de R.L. de C.V., a Mexican company, and our affiliates, and each of their respective directors, officers, employees, agents, joint ventures, service providers and suppliers. Our affiliates include each entity that we control, we are controlled by or we are under common control with.

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### **Indemnification**

You must indemnify PayPal for actions related to your PayPal account and your use of the PayPal services. You agree to defend, indemnify and hold PayPal harmless from any claim or demand (including reasonable legal fees) made or incurred by any third party due to or arising out of your breach of this user agreement, your improper use of the PayPal services, your violation of any law or the rights of a third party and/or the actions or inactions of any third party to whom you grant permissions to use your PayPal account or access our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, or any of the PayPal services on your behalf.

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## Limitation of liability

**PayPal's liability is limited with respect to your PayPal account and your use of the PayPal services.** In no event shall PayPal be liable for lost profits or any special, incidental or consequential damages (including without limitation damages for loss of data or loss of business) arising out of or in connection with our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, any of the PayPal services, or this user agreement (however arising, including negligence), unless and to the extent prohibited by law.

Our liability to you or any third parties in any circumstance is limited to the actual amount of direct damages. In addition, to the extent permitted by applicable law, PayPal is not liable, and you agree not to hold PayPal responsible, for any damages or losses (including, but not limited to, loss of money, goodwill, or reputation, profits, or other intangible losses or any special, indirect, or consequential damages) resulting directly or indirectly from: (1) your use of, or your inability to use, our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, or any of the PayPal services; (2) delays or disruptions in our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf and any of the PayPal services; (3) viruses or other malicious software obtained by accessing our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or any of the PayPal services or any website or service linked to our websites, software or any of the PayPal services; (4) glitches, bugs, errors, or inaccuracies of any kind in our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or any of the PayPal services or in the information and graphics obtained from them; (5) the content, actions, or inactions of third parties; (6) a suspension or other action taken with respect to your PayPal account; or (7) your need to modify your practices, content, or behavior, or your loss of or inability to do business, as a result of changes to this user agreement or PayPal's policies.

## Disclaimer of Warranty and Release

### No warranty

**The PayPal services are provided "as-is" and without any representation or warranty, whether express, implied or statutory. PayPal specifically disclaims any implied warranties of title, merchantability, fitness for a particular purpose and non-infringement.**

PayPal does not have any control over the products or services provided by sellers who accept PayPal as a payment method, and PayPal cannot ensure that a buyer or a seller you are dealing with will actually complete the transaction or is authorized to do so. PayPal does not guarantee continuous, uninterrupted or secure access to any part of the PayPal services, and operation of our websites, software, or systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf may be interfered with by numerous factors outside of our control. PayPal will make reasonable efforts to ensure that requests for electronic debits and credits involving bank accounts, debit cards, credit cards, and check issuances are processed in a timely manner but PayPal makes no representations or warranties regarding the amount of time needed to complete processing because the PayPal services are dependent upon many factors outside of our control, such as delays in the banking system or mail service. Some states do not allow the disclaimer of implied warranties, so the foregoing disclaimers may not apply to you.



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## Release of PayPal

If you have a dispute with any other PayPal account holder, you release PayPal from any and all claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, arising out of or in any way connected with such disputes. In entering into this release you expressly waive any protections that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release.

## Disputes with PayPal Contact PayPal First

If a dispute arises between you and PayPal, our goal is to learn about and address your concerns. If we are unable to do so to your satisfaction, we aim to provide you with a neutral and cost effective means of resolving the dispute quickly. Disputes between you and PayPal regarding the services may be reported to [PayPal Customer Service](#).

## Intellectual Property PayPal's trademarks

"PayPal.com," "PayPal.com.mx", "PayPal," and all logos related to the PayPal services are either trademarks or registered trademarks of PayPal or PayPal's licensors. You may not copy, imitate, modify or use them without PayPal's prior written consent. In addition, all page headers, custom graphics, button icons, and scripts are service marks, trademarks, and/or trade dress of PayPal. You may not copy, imitate, modify or use them without our prior written consent. You may use HTML logos provided by PayPal for the purpose of directing web traffic to the PayPal services. You may not alter, modify or change these HTML logos in any way, use them in a manner that mischaracterizes PayPal or the PayPal services or display them in any manner that implies PayPal's sponsorship or endorsement. All right, title and interest in and to the PayPal websites, any content thereon, the PayPal services, the technology related to the PayPal services, and any and all technology and any content created or derived from any of the foregoing is the exclusive property of PayPal and its licensors.

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## License grants, generally

If you are using PayPal software such as an API, developer's toolkit or other software application, which may include software provided by or integrated with software, systems or services of our service providers, that you have downloaded or otherwise accessed through a web or mobile platform, then PayPal grants you a revocable, non-exclusive, non-sublicensable, non-transferable, royalty-free limited license to access and/or use PayPal's software in accordance with the documentation accompanying such software. This license grant applies to the software and all updates, upgrades, new versions and replacement software. You may not rent, lease or otherwise transfer your rights in the software to a third party. You must comply with the implementation, access and use requirements contained in all documentation accompanying the PayPal services. If you do not comply with implementation, access and use requirements you will be liable for all resulting damages suffered by you, PayPal and third

parties. PayPal may update or discontinue any software upon notice to you. While PayPal may have (1) integrated certain third party materials and technology into any web or other application, including its software, and/or (2) accessed and used certain third party materials and technology to facilitate providing you with the PayPal Services, you have not been granted and do not otherwise retain any rights in or to any such third party materials. You agree not to modify, alter, tamper with, repair, copy, reproduce, adapt, distribute, display, publish, reverse engineer, translate, disassemble, decompile or otherwise attempt to create any source code that is derived from the software or any third party materials or technology, or otherwise create any derivative works from any of the software or third party materials or technology. You acknowledge that all rights, title and interest to PayPal's software are owned by PayPal and any third party materials integrated therein are owned by PayPal's third party service providers. Any other third party software application you use on the PayPal websites is subject to the license you agreed to with the third party that provides you with this software. You acknowledge that PayPal does not own, control nor have any responsibility or liability for any such third party software application you elect to use on any of our websites, software and/or in connection with the PayPal services.

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#### **License grant from you to PayPal; intellectual property warranties**

PayPal does not claim ownership of the content that you provide, upload, submit or send to PayPal. Nor does PayPal claim ownership of the content you host on third-party websites or applications that use PayPal services to provide payments services related to your content. Subject to the next paragraph, when you provide content to PayPal or post content using PayPal services, you grant PayPal (and parties that we work with) a non-exclusive, irrevocable, royalty-free, transferable, and worldwide license to use your content and associated intellectual property and publicity rights to help us improve, operate and promote our current services and develop new ones. PayPal will not compensate you for any of your content. You acknowledge that PayPal's use of your content will not infringe any intellectual property or publicity rights. Further, you acknowledge and warrant that you own or otherwise control all of the rights of the content you provide, and you agree to waive your moral rights and promise not to assert such rights against PayPal.

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#### **License grant from sellers to PayPal**

Notwithstanding the provisions of the prior paragraph, if you are a seller using the PayPal services to accept payments for goods and services, you hereby grant PayPal and its affiliates a worldwide, non-exclusive, transferable, sublicensable (through multiple tiers), and royalty-free, fully paid-up, right to use and display publicly, during the term of this user agreement, your trademark(s) (including but not limited to registered and unregistered trademarks, trade names, service marks, logos, domain names and other designations owned, licensed to or used by you) for the purpose of (1) identifying you as a merchant that accepts a PayPal service as a payment form, and (2) any other use to which you specifically consent.

#### **Miscellaneous**

## **Assignment**

You may not transfer or assign any rights or obligations you have under this user agreement without PayPal's prior written consent. PayPal may transfer or assign this user agreement or any right or obligation under this user agreement at any time.

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## **Business Days**

“Business Day(s)” means Monday through Friday, excluding the official national holidays recognized in Mexico.

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## **Dormant accounts**

If you do not log in to your PayPal account for two or more years, PayPal may close your PayPal account and any unused funds in your account will be subject to applicable laws regarding unclaimed monies.

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## **Governing law and jurisdiction**

This Agreement will be governed by and interpreted in accordance with the laws of Mexico. Except as otherwise agreed by the parties, you agree to irrevocably submit to the jurisdiction of the courts of Mexico City for the purpose of any suit, action or other proceeding arising out of this Agreement or your use of our websites or the Services, with express waiver of any other jurisdiction applicable to the parties due to their current or future domicile or any other reason.

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## **Identity authentication**

You authorize PayPal, directly or through third parties, to make any inquiries we consider necessary to verify your identity. This may include:

- asking you for further information, such as your date of birth, your physical address and other information that will allow us to reasonably identify you
- requiring you to take steps to confirm ownership of your email address or financial instruments
- ordering a credit report from a credit reporting agency, or verifying your information against third party databases or through other sources.
- requiring you to provide your driver's license or other identifying documents at any time.

Anti-money laundering and counter-terrorism financing laws may require that PayPal verify certain identifying information if you use certain PayPal services. PayPal reserves the right to close, suspend, or limit access to your PayPal account and/or the PayPal services in the event that, after reasonable enquiries, we are unable to obtain information about you required to verify your identity.

### **PayPal is only a payment service provider**

PayPal is not a bank and the PayPal Services are payment processing services rather than banking services. PayPal is not acting as a trustee, fiduciary or escrow with respect to your funds. PayPal does not have control of, nor liability for, the products or services that are paid for with the PayPal Services. We do not guarantee the identity of any user or ensure that a buyer or a seller will complete a transaction.

We act as a payment service provider only. We do not:

- Act as an escrow agent with respect to any funds kept in your account;
- Act as your agent or trustee;
- Enter into a partnership, joint venture, agency or employment relationship with you;
- Guarantee the identity of any buyer or seller;
- Determine if you are liable for any taxes; or
- Unless otherwise expressly set out in this agreement, collect or pay any taxes that may arise from your use of our services.

### **Privacy**

Protecting your privacy is very important to us. Please review our [Privacy Statement](#) in order to better understand our commitment to maintaining your privacy, as well as our use and disclosure of your information.

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### **Terms in English; Translation of agreement**

It is the express wish of the parties that these terms and any directly or indirectly related documents be drawn up in Spanish. Any translation of this user agreement is provided solely for your convenience and is not intended to modify the terms of this user agreement. In the event of a conflict between the Spanish version of this user agreement and a version in a language other than Spanish, the Spanish version shall control.

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## **Your use of information; Data protection laws**

If you receive information about another PayPal customer, you must keep the information confidential and only use it in connection with the PayPal services. You may not disclose or distribute any information about PayPal users to a third party or use the information for marketing purposes unless you receive that user's express consent to do so. You may not send unsolicited emails to a PayPal customer or use the PayPal services to collect payments for sending, or assist in sending, unsolicited emails to third parties.

To the extent that you (as a seller) process any personal data about a PayPal customer pursuant to this agreement, you agree to comply with the requirements of any applicable privacy and data protection laws. You have your own, independently determined privacy policy, notices and procedures for any such personal data that you hold as a data controller, including a record of your activities related to processing of personal data under this agreement.

The privacy and data protection laws that may apply include any associated regulations, regulatory requirements and codes of practice applicable to the provision of the services described in this agreement, and Mexican Data Privacy Regulation. If you process personal data from Europe pursuant to this agreement, you must also comply with the EU Directive 95/46/EC or the General Data Protection Regulation (EU) 2016/679 (GDPR).

In complying with such laws, you will:

- implement and maintain all appropriate security measures for the processing of personal data; and
- not knowingly do anything or permit anything to be done which might lead to a breach of any privacy and data protection laws by PayPal.