

## PayPal Online Card Payment Services Agreement

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### About this Agreement

This Online Card Payment Services Agreement ("Card Agreement") is a contract between you ("Merchant" "you" "your") and PayPal Pte. Ltd. ("PayPal", "we", "us" or "our" as the context may require). You agree that any use by you of the any of the Online Card Payment Services (as defined below) that we offer to you will constitute your acceptance of this Card Agreement and we recommend that you store or print-off a copy of this Card Agreement.

This Card Agreement, the [PayPal User Agreement](#), and any other applicable agreement(s) you have entered into with PayPal (collectively "PayPal Agreements") shall apply to your use of the Online Card Payment Services. To proceed with obtaining one or more of the Online Card Payment Services below, you must read, agree with and accept all of the terms and conditions contained in this Card Agreement.

We may amend or otherwise revise this Card Agreement and any applicable policies from time to time. The revised version will be effective at the time we post it on the PayPal Website unless otherwise noted. If our changes reduce your rights or increase your responsibilities, we will post a notice on the [Policy Updates](#) page of our Website and provide you with the same length of advance notice as set forth in the [PayPal User Agreement](#). Advance period will not be provided where a change relates to the addition of a new service, extra functionality to the existing Services, or any other change which we believe in our reasonable opinion neither reduce your rights nor increase your responsibilities. In such instances, the change will be made without notice to you and will be effective immediately at the time we post it on our Website.

By continuing to use the Online Card Payment Services after any changes to this Card Agreement, you agree to abide and be bound by those changes. If you do not agree with any changes to this Card Agreement, you may, as applicable, terminate your use of the Online Card Payment Services as set out in clause 7 before such changes become effective and/or close your account. While you may close your PayPal account at any time and without charge, please note that you may still be liable to us after you terminate this Card Agreement for any liabilities you may have incurred and are responsible for prior to terminating this Card Agreement.

"Online Card Payment Services" means the suite of payment processing services offered by PayPal which provide merchants with the ability to accept and receive credit and debit card payments on a website or mobile application or via phone.

For purposes of this Agreement, these Services include:

- A. Advanced Credit and Debit Card Payments: functionality for accepting credit and debit card transactions. We may also offer you the Account Updater Service, the Vaulting Tool, Fastlane and Fraud Protection Tools as part of the Advanced Credit and Debit Card Payments.
- B. Fraud Protection Tools: The optional Services associated with Advanced Credit and Debit Card Payments that allows you to access additional risk management features that may help protect you from potentially fraudulent transactions, as described in more detail on the PayPal Website and in [Schedule 3](#).
- C. Payments Pro: or PayPal Payments Pro (also known as Website Payments Pro) means the suite of Services consisting of PayPal Payment Button, Direct Payments, and Virtual Terminal, as described in more detail in the PayPal developer documents. Optional additional Services include Recurring Payments, which are all more fully described on the PayPal Website.
- D. Virtual Terminal or VT: means the Service that enables you to receive a card payment by manually entering Card Data given to you by the customer.

Each of the Services above includes one or more of PayPal's online card payment services APIs or PayPal's SDKs.

Capitalised terms are defined in section 12 below. Please view, download and save this Card Agreement.

## 1. Setting up and activating your Service

- a. Getting started. To obtain and use the relevant Service, you must carry out the following:
  - 1. complete the online application process for the relevant Service, open a PayPal business account (if you do not already have one), and follow our instructions set out in PayPal's online process to access and use your Service.
  - 2. integrate the relevant Service into the payment process of your website. You are not required to integrate your Service into the payment process of your website if you only access and use Virtual Terminal. PayPal is not responsible for any problems that could occur by integrating your Service into your 'live' website. You are solely responsible for choosing, setting, integrating and customising your Service and ensuring that it suits your needs.
  - 3. activate your Service by using it in a 'live' payment transaction for the first time.
- b. Parity among payment methods. By using the Services, PayPal permits you to directly accept debit and credit cards. In displaying payment options on your website, you must display the logos of PayPal and the Card Associations with size and prominence equal among themselves and among those of other payment methods. You must not display a preference for, nor discriminate

against, one payment method over another. In using PayPal's logo and buttons, you also agree to comply with the logo usage standards located at: <https://www.paypal.com/webapps/mpp/logos-buttons> or as updated from time to time.

- c. Credit report authorisation. You authorise PayPal to provide information regarding your business and individual Card Transactions to third-parties for the purpose of facilitating the acceptance and settlement of your Card Transactions and in connection with items, including chargebacks, refunds, disputes, adjustments, and other inquiries. You agree to allow PayPal to obtain from a third party your credit history and financial information about your ability to perform your obligations under this Card Agreement in the manner set out in the [PayPal Privacy Statement](#). PayPal will review your credit and other risk factors of your PayPal account (including but not limited to, reversals and chargebacks, customer complaints, claims) on an ongoing basis. PayPal will store, use and disclose the information obtained in conformity with [PayPal's Privacy Statement](#).
- d. Cancellation. PayPal may terminate your access and/or use of any Service and/or terminate this Card Agreement at any time before the Activation Date by notifying you.

## 2. Fees

- a. PayPal Services Fees. Fees for the Services may be charged on a monthly basis or per transaction. Except as otherwise agreed in writing with us, you agree to pay the fees for the applicable Services that are found on the [Fees page](#).
- b. General Payment Terms.
  - 1. Monthly Fees. Any applicable monthly fees for the Services will be charged in advance, unless otherwise set forth herein or on the [Fees page](#).
  - 2. Transaction Fees. Unless otherwise set forth herein or on the [Fees page](#), for fees charged per transaction, the fee amount will be deducted from the transaction amount at the time of the transaction. You are liable for all claims, expenses, fines, and liability PayPal incurs arising out of your use of the Services.
  - 3. Non-Refundable. All fees are non-refundable.
- c. Interchange Plus Plus Pricing Terms. If we offer and if you choose to activate Interchange Plus Plus pricing, then the following terms will apply to you:
  - 1. Interchange Pass-through Costs. Interchange Pass-through Costs will be passed through to you in addition to all current fees as set forth on the [Fees page](#) or as agreed with you in writing which correspond to Interchange Plus Plus or IC++ pricing (collectively "Interchange

Plus Plus” or “IC++”). Fees for Advanced Credit and Debit Card Payments will be charged monthly, all other applicable fees will continue to be charged per transaction.

2. **Gross Settlement.** We will invoice you on the 7<sup>th</sup> of each calendar month (or a date otherwise notified by PayPal) (“Fee Invoice”) for all fees, charges, or other amounts accrued in connection with your use of Advanced Credit and Debit Card Payments (“Gross Settlement”).
3. **Currency Conversion.** (a) PayPal may allow you to choose the currency in which the Fee Invoice will be billed (“Fee Invoice Currency”). If you have accepted transactions in currencies other than the Fee Invoice Currency, then PayPal will convert those currencies into the Fee Invoice Currency at the time of Fee Invoice generation. (b) PayPal may convert the relevant balance in your PayPal account in order to settle the Fee Invoice. If PayPal converts currency pursuant to this provision, it will be completed at an exchange rate that we set in accordance with the [PayPal User Agreement](#) and that includes our [currency conversion fee](#); or, if required by law or regulation, set at the relevant government reference rate(s).
4. **Debit Authorization.** You authorize PayPal to debit and set off from the relevant balance in your PayPal account any amounts due to PayPal. If necessary, you also authorize PayPal to credit your PayPal account to correct erroneous debits and for fees, charges, or other amounts arising from your use of Advanced Credit and Debit Card Payments. You grant PayPal permission to debit or setoff amounts due from the relevant balance in your PayPal account on the 10<sup>th</sup> of the month (or a date otherwise notified by PayPal) (“Debit Authorization”). If the relevant balance in your PayPal account is insufficient to cover the amounts due to PayPal, then this will result in a negative balance in your PayPal account. In the event that we are unable to successfully debit your PayPal account, we may, but are not obliged to, make subsequent attempts. Deactivating IC++ in your PayPal account settings does not terminate, cancel, reduce, or otherwise affect the obligations you owe to PayPal.
5. PayPal may engage in collection efforts to recover the amount due from you; or take any or all other actions as provided herein or in the [User Agreement](#).
6. **Questions.** If you have any questions about the fees, charges, or amounts found in your invoices, please [contact us](#).

### 3. Information Security; Data Protection; Data Portability

- a. **Compliance with Data Security Schedule.** You agree to comply with Schedule 1 below, which forms part of this Card Agreement.
- b. **Price and currency.** You may not submit payment transactions in which the amount is the result

of dynamic currency conversion. This means that you may not list an item in one currency and then accept payment in a different currency. If you are accepting payments in more than one currency, you must separately list the price for each currency.

- c. Compliance with Data Protection Addendum. Except for Fastlane by PayPal, you (as the Merchant) and we agree to comply with the data protection addendum found [here](#), which forms part of this Card Agreement. The terms of the Data Protection Schedule prevail over any conflicting terms in this Card Agreement relating to data protection and privacy. For Fastlane by PayPal, the data protection principles contained in Schedule 6 shall apply.
- d. Data Portability. Upon any termination or expiry of this Card Agreement, PayPal agrees, upon written request from the Merchant, to provide the Merchant's new acquiring bank or payment service provider ("Data Recipient") with any available credit card information including personal data relating to the Merchant's Customers ("Card Information"). In order to do so, the Merchant must provide PayPal with all requested information including proof that the Data Recipient is in compliance with the Association PCI-DSS Requirements and is level 1 PCI compliant. PayPal agrees to transfer the Card Information to the Data Recipient so long as the following applies: (a) the Merchant provides PayPal with proof that the Data Recipient is in compliance with the Association PCI-DSS Requirements (Level 1 PCI compliant) by providing PayPal a certificate or report on compliance with the Association PCI-DSS Requirements from a qualified provider and any other information reasonably requested by PayPal; (b) the transfer of such Card Information is compliant with the latest version of the Association PCI-DSS Requirements; and (c) the transfer of such Card Information is allowed under the applicable Association Rules, and any applicable laws, rules or regulations (including data protection laws).

## 4. User Agreement and how our legal documents apply

- a. User Agreement applies. The terms of the [User Agreement](#) apply to you and are incorporated by reference into this Card Agreement. The term PayPal services in the [User Agreement](#) will include the applicable Services. In case of any inconsistency between this Card Agreement and the [User Agreement](#), this Card Agreement supersedes the [User Agreement](#), but only to the extent of that inconsistency and in relation to the relevant Service. The [User Agreement](#) can be found via a link in the footer of nearly every PayPal web page. The [User Agreement](#) includes important provisions which:
  - 1. permit PayPal to take a reserve to secure your obligation to pay chargebacks, reversals and fees;
  - 2. obligate you to follow [PayPal's Acceptable Use Policy](#) in your use of PayPal;
  - 3. give legal effect to [PayPal's Privacy Statement](#), which governs our use and disclosure of your

information and that of Shared Customers; and

4. permit PayPal to restrict a payment or your PayPal account in circumstances listed in the [User Agreement](#).

- b. Failed payments and Service tools. You are responsible for chargebacks, reversals and other invalidated payments as provided in the [User Agreement](#), regardless of how you use and configure your Service, including its fraud filtering technology and similar preventive tools (if any) or your use of the Fraud Protection Tools. Those tools can be useful in detecting fraud and avoiding payment failures, but they do not affect your responsibility and liability pursuant to the User Agreement for chargebacks, reversals and payments which are otherwise invalidated.
- c. Third-Party Terms for Advanced Credit and Debit Card Payment Add-on Features. If you choose to integrate eligible third-party wallets as an Advanced Credit and Debit Card Payment add-on feature, you also agree to the following applicable third-party terms:

1. [Apple Pay Platform Web Merchant Terms and Conditions](#)
2. [Google Pay API Terms of Service](#)
3. [Google APIs Terms of Service](#)

You acknowledge and agree that the third-party features and terms are provided, updated and noticed solely by the relevant third party (not PayPal), and that PayPal will under no circumstances be responsible or liable for any damages, losses, or costs whatsoever suffered or incurred by you resulting from any use of such third-party features or acceptance of such third-party terms.

## 5. Use of PayPal Payment Button

If you use Advanced Credit and Debit Card Payments, Payments Pro, or Payments Pro Payflow you must use PayPal Payment Button in the following manner:

1. You must include a PayPal Payment Button either: (i) before you request the shipping/billing address and other financial information from your customers, or (ii) on the same page that you collect such information if you only use one page for your checkout process.
2. You must offer PayPal as a payment option together with the other payment options you offer. The PayPal acceptance mark must be displayed with equal prominence to the logos for your other payment options. You shall not discriminate against PayPal, nor discourage its use, as a payment option over any other payment option offered by you.
3. You must provide your customers with the option of not storing their personal information,

including their email address, shipping/billing address, and financial information.

## 6. Recurring Billing/Recurring Payments and Vaulting Consent for Certain Services.

If you are using the Recurring Billing, Recurring Payments or vaulting functionality, including the Vaulting Tool or available third-party vault functionality, you agree that it is your responsibility to comply with Association Rules, and applicable law, including by capturing your customers' consent to store their card on file for future or recurring transactions and making available a mechanism for your customer to delete their card on file. You acknowledge and agree that third-party vault functionality is provided and updated solely by the third-party vault provider (not PayPal). You are solely responsible for your use of such third-party vault functionality. PayPal will under no circumstances be responsible or liable for any damages, losses or costs whatsoever suffered or incurred by you as a result of any use of such third-party vault functionality.

## 7. Proprietary Rights

- a. Intellectual Property. You acknowledge that PayPal and its licensors retain all intellectual property rights (including all patent, trademark, copyright, trade dress, trade secrets, database rights and all other intellectual property rights) and title in and to all of their confidential information; other proprietary information, products, and services; and the ideas, concepts, techniques, inventions, processes, software or works of authorship developed, embodied in, or practiced in connection with the Services and provided by PayPal hereunder, including without limitation all modifications, enhancements, derivative works, configurations, translations, upgrades, and interfaces thereto (all of the foregoing "PayPal Intellectual Property"). PayPal Intellectual Property does not include your preexisting hardware, software, data, or networks. Except as otherwise expressly provided herein, nothing in this Card Agreement shall create any right of ownership or license in, and to the other party's intellectual property rights and each party shall continue to independently own and maintain its intellectual property rights. There are no implied licenses under this Card Agreement and any rights not expressly granted to you under this Card Agreement are reserved by PayPal or its suppliers. You shall not reverse engineer, decompile, modify in any manner, or create derivative works from the Services, Licence (below), or any PayPal Intellectual Property.
- b. Ownership of information and materials. As part of the Merchant's access to, and use of the Services, the Merchant will be provided with certain information and materials (the "Materials") for its use with the Services. All intellectual property rights associated with the Materials remain the property of PayPal or the relevant Acquiring Institution (as the case may be). The Merchant agrees to not give, transfer, assign, novate, sell, resell (either partly or in whole) the Materials to any person.

c. Licence. PayPal hereby grants to you a non-exclusive, non-transferable, revocable, non-sublicenseable, limited license to:

1. use PayPal's Intellectual Property, any Materials, and any information and documentation as set out on the PayPal Website from time to time solely, as required and necessary to use the Services in accordance with the terms and conditions of this Card Agreement (the "IP License" and with respect to the APIs, the "API Licence"); and to
2. use the documentation provided by PayPal for your Service and reproduce it for internal use only within your business. Your Service as licensed is subject to change and will evolve along with the rest of the PayPal system; see clause 11(a). You must comply with the implementation and use requirements contained in all PayPal documentation and instructions accompanying the Service issued by PayPal from time to time (including, without limitation, any implementation and use requirements we impose on you to comply with applicable laws and Card Association rules and regulations).

d. ID codes. PayPal will provide you with certain identifying codes specific to you. The codes identify you and authenticate your messages and instructions to us, including operational instructions to PayPal software interfaces. Use of those codes may be necessary for the PayPal system to process instructions from you (or your website). You must keep the codes safe and protect them from disclosure to parties whom you have not authorised to act on your behalf in dealing with PayPal. You agree to follow reasonable safeguards advised by PayPal from time to time in order to protect the security of those identifying codes; see also Schedule 1. If you fail to protect the security of the codes as advised, you must notify PayPal as soon as possible, so that PayPal can cancel and re-issue the codes. PayPal may also cancel and re-issue the codes if it has reason to believe that their security has been compromised, and after notifying you whenever notice can reasonably be given.

e. APIs. PayPal shall make available to you its API integration and user guides and SDKs (collectively "PayPal Documentation"). You shall comply with the PayPal Documentation in connection with the integration and use of APIs. You shall keep all user ID, passwords and other access codes pertaining to the Services and API Licence confidential and secure from all unauthorised persons. You will immediately terminate the access rights of any user who ceases to act in an authorised capacity on your behalf for any reason, including because of a change in employment status or in the event of theft, loss, or authorised disclosure or misuse of that user ID. You agree to notify PayPal immediately upon learning of any unauthorised use of your user ID or password. You shall be solely responsible for (i) updating your passwords for access to the Services periodically, and (ii) creating passwords that are reasonably "strong" under the circumstances. The user ID is the property of PayPal and may be immediately revoked or terminated by PayPal if you share the same with any third party, or otherwise breach this API Licence. In connection with your use of the APIs, you are prohibited from doing any of the



following: (i) selling, transferring, sublicensing, or disclosing your user ID to any third party (other than third party service providers); (ii) selling, transferring, sublicensing, and/or assigning any interest in PayPal's confidential information accessed by the APIs; (iii) collecting any customer's personally identifiable information that is accessed through the APIs without that customer's express permission; (iv) providing timeshare, service bureau, application service provider, or similar services to any other third party; and (v) interfacing or connecting the Services, or the API Licence with any other computer software or system without the prior written approval of PayPal. PayPal shall have no responsibility or liability for the performance of the Services, in the event that the Services are not used in accordance with this Agreement or any instructions for use provided by PayPal.

f. No warranty. The Services and all accompanying documentation are provided to you on an "as is" basis. To the extent permitted by law, PayPal does not give or offer any warranty, express or implied, by operation of law or otherwise, in relation to your Service, the licensed software or user documentation provided, including without limitation any warranties of title, non-infringement, merchantability or fitness for a particular purpose. PayPal makes no warranty that the services will be continuous or error-free. PayPal does not guarantee, represent or warrant that the Services and related features that enable you to detect or minimize fraudulent transactions will discover or prevent all non-valid or fraudulent transactions. PayPal is not responsible for any non-valid or fraudulent transactions that are processed. Nothing provided by PayPal under this Card Agreement or otherwise for your Service has PayPal's authorisation to include a warranty, and no obligation or liability will arise or grow out of PayPal's rendering of technical, programming or other advice or service in connection with any Service, licensed software and user document provided (including, without limitation, services that may assist you with the customisation of your Service). PayPal recommends that you test the implementation of the applicable Services thoroughly as PayPal is not responsible for any loss caused by the implementation of the Services.

g. PayPal Hosted Integrations and your intellectual property. You hereby grant to PayPal a royalty-free, worldwide non-exclusive licence to use your or any of your affiliates' names, images, logos, trademarks, service marks, and/or trade names as you may provide to PayPal when using the Services ("Your Marks") for the sole purpose of enabling your use of the Services (including, without limitation, the customisation of your hosted Service). Title to and ownership of Your Marks and all goodwill arising from any use hereunder will remain with you. You represent and warrant that you have the authority to grant PayPal the right to use Your Marks and you shall indemnify PayPal and keep PayPal fully indemnified on a continuing basis from any claims or losses suffered by it arising from the use of Your Marks in connection with the Services.

## 8. Banking terms for Card Transactions

PayPal utilises services from banking partners in processing Card Transactions, including both direct

payments to you from a card as well as Card Transactions that fund a PayPal payment to you. Schedule 2 below applies in relation to those services. In accepting this Card Agreement, you also accept the terms for Card Transactions in Schedule 2, the terms of which form part of this Card Agreement.

## 9. Additional Terms for American Express Card Acceptance.

- a. American Express may use the information obtained in your application at the time of setup to screen and/or monitor you in connection with American Express Card marketing and administrative purposes.
- b. You may be converted from this Agreement to a direct card acceptance agreement with American Express if you reach certain monthly sales volumes. Upon conversion, (i) you will be bound by American Express' then-current Card Acceptance Agreement; and (ii) American Express will set your pricing and other fees for American Express Card acceptance.
- c. American Express shall be a third-party beneficiary of this Agreement for purposes of American Express Card acceptance. As a third-party beneficiary, American Express shall have the right to enforce directly against you the terms of this Agreement as related to American Express Card acceptance. You acknowledge and agree that American Express shall have no responsibility or liability with regard to PayPal's obligations to you under this Agreement.
- d. The American Express Merchant Regulations, which are incorporated herein by this reference, set forth the policies and procedures governing your acceptance of the American Express Card and can be accessed here: [www.americanexpress.com/InternationalRegs](http://www.americanexpress.com/InternationalRegs).
- e. You authorize PayPal to submit transactions to, and receive settlement from, American Express, and to disclose transaction and merchant information to American Express to perform analytics and create reports, and for any other lawful business purposes, including commercial marketing communications purposes and important transactional or relationship communications.
- f. You may terminate your acceptance of American Express at any time upon notice.

## 10. Termination and suspension

- a. By you. You may terminate this Card Agreement at will by doing either of the following:
  - 1. Giving 30 days' notice to PayPal Customer Service of your intent to terminate this Card Agreement. PayPal Customer Service will confirm termination via email. This option lets you stop using your Service and paying for it, but your PayPal account remains open and its [User Agreement](#) remains in effect; or
  - 2. Closing the PayPal account that you use with your Service (see the [User Agreement](#) for

more information).

b. By PayPal. PayPal may terminate this Card Agreement at will by doing any of the following:

1. Giving you 30 days' notice by email to your registered email address associated with your PayPal account of PayPal's intent to terminate this Card Agreement. Unless otherwise notified, this option does not affect your [User Agreement](#) and your PayPal account remains open.
2. Terminating the [User Agreement](#) that applies to the PayPal account used with your Service.

c. By events. PayPal may terminate this Card Agreement immediately without notice if you:

1. Breach this Card Agreement or the [User Agreement](#);
2. Become unable to pay or perform your obligations under, this Agreement or any of the PayPal Agreements that apply to the Services;
3. Become unable to pay your debts, admit your inability to pay your debts or otherwise become insolvent;
4. Have any execution, attachment or similar action taken, levied or enforced against you or your assets, or if any garnishee order is issued or served on you;
5. Become the subject of any petition presented, order made or resolution passed for the liquidation, administration, bankruptcy or dissolution of all or a substantial part of your business, except where solvent amalgamation or reorganisation is proposed on terms previously approved by PayPal;
6. Lose full and unrestricted control over all or part of its assets because of the appointment of a receiver, manager, trustee, liquidator or similar officer;
7. Enter into or proposes any composition or arrangement concerning your debts with your creditors (or any class of its creditors);
8. A material adverse change occurs in your business, operations, or financial condition;
9. You provide inaccurate information in applying for your Service or in your dealings with us;
10. We decide, in our discretion, that you become ineligible for the Services because there is a high level of risk associated with your PayPal account or for any other reason, or upon request by any Acquiring Institution or any of the Card Associations; or
11. You violate any Association Rules as they may be amended by the Card Associations from time to time.

- d. Effect of termination. When this Card Agreement terminates, you agree to complete all pending Card Transactions, immediately remove all logos for cards, and stop accepting new transactions through the terminated Service, and PayPal may prevent or hinder you from using it after termination. If you nevertheless use a Service after termination of this Card Agreement, then this Card Agreement will continue to apply to your use of that Service until you give effect to the termination by stopping your use of that Service. The following clauses in this Card Agreement will survive termination of this Card Agreement and continue in full force and effect: Clauses 2, 5(a) and 9. Termination of this Card Agreement will not affect any rights, remedies or obligations of the parties that have accrued or become due prior to termination, and you will not be entitled to a refund of any Monthly Fee paid prior to termination.
- e. Breach and suspension. If you breach this Card Agreement, the [User Agreement](#), or a security requirement imposed by PCI DSS, PayPal may immediately suspend your use of your Service. PayPal may require you to take specified corrective actions to cure the breach and have the suspension lifted, although nothing in this Card Agreement precludes PayPal from pursuing any other remedies it may have for breach. In addition, if PayPal reasonably suspects that you may be in breach of this Card Agreement or PCI DSS, PayPal may suspend your use of your Service pending further investigation.

## 11. Terms of use for specific functionalities

- a. Fraud Protection Tools. If you are offered and choose to use the Fraud Protection Tools, the terms in [Schedule 3](#) below will apply to your use of that functionality.
- b. Account Updater Service. If you are offered and choose to use the Account Updater Service, the terms in [Schedule 4](#) below will apply to your use of that functionality.
- c. Chargeback Protection Tools. If you are offered and choose to use Chargeback Protection Tools, the terms in [Schedule 5](#) below will apply to your use of the functionality.
- d. Fastlane. If you use Fastlane by PayPal, the terms in Schedule 6 below will apply to your use of that service.

## 12. Miscellaneous

- a. Future of the Services. PayPal retains sole and absolute discretion in determining
  - 1. the future course and development of the Services,
  - 2. which improvements to make in them and when, and
  - 3. whether and when defects are to be corrected and new features introduced.

4. PayPal welcomes feedback from users in planning the future of the Services but is not required to act in accordance with any feedback received. In giving us feedback, you agree to claim no intellectual property interest in your feedback.
- b. Indemnity. You agree to indemnify PayPal and keep PayPal fully indemnified on a continuing basis from any direct loss, damage and liability, and from any claim, demand or cost (including reasonable lawyers' fees) incurred in relation to any third party (including a Shared Customer) and arising (i) out of your breach of this Card Agreement, the [User Agreement](#) and the documents incorporated in it by reference (including the Acceptable Use Policy), (ii) your use of the Services, including, without limitation, chargebacks, refunds, and Card Association fines and penalties; (iii) your fraudulent transaction or data incidents, or (iv) the violation of any law.
- c. Assignment, amendment and waiver. You may not assign this Card Agreement without first obtaining PayPal's written consent. PayPal may assign, novate or otherwise transfer this Card Agreement without your consent by notifying you. Neither party may amend this Card Agreement or waive any rights under it except in a written document signed by both parties. Our failure to act with respect to a breach by you or others does not waive our right to act with respect to subsequent or similar breaches.
- d. Compliance with Laws. You agree to comply with all applicable laws, rules, or regulations, including the Association Rules.
- e. Governing law and jurisdiction. This Card Agreement is governed by the laws of Singapore. The parties submit to the non-exclusive jurisdiction of the courts of Singapore.

## 13. Definitions

Capitalised terms not listed in this clause are defined in the [User Agreement](#) or above in this Card Agreement.

- a. Account Updater Service: A functionality as further defined in Schedule 4.
- b. Acquiring Institution: means a financial institution or bank that provides services to you to enable you to (a) accept payment by cardholders using cards; and (b) receive value in respect of Card Transactions.
- c. Activation Date: The date on which you complete all of the steps for "Getting started" as listed in clause 1(a) above.
- d. Advanced Credit and Debit Card Payments: Means the suite of functionality consisting of the Advanced Credit and Debit Card Payments API (as the standard online interface) and Fraud Protection Tools, the Account Updater Service and the Vaulting Tool (as optional additional

Services). This suite of functionality may also include optional add-on features (e.g., integration of eligible third-party wallets) that require your acceptance of additional third-party terms before such add-on features may be used. We may also choose to offer you other Online Card Payment Services functionality as part of the Advanced Credit and Debit Card Payments suite of functionality.

- e. Association Rules: the applicable obligations, rules and guidelines issued by Visa USA, Europe, Asia Pacific, Canada and other Visa regions, MasterCard International Incorporated, American Express Company or other applicable Card Associations, including, without limitation, the Visa Cardholder Information Security Program (CISP), Visa Account Information Security Program (AISP), the MasterCard Site Data Protection Program and PCI DSS. Further information can be found by visiting the following URLs: [www.visaeurope.com](http://www.visaeurope.com), [www.visaeurope.com/en/businesses\\_\\_retailers/payment\\_security/overview.aspx](http://www.visaeurope.com/en/businesses__retailers/payment_security/overview.aspx) and <https://www.mastercard.com/sdp>.
- f. AVS: Information returned by the "Address Verification System" operated by or on behalf of Card Associations, which compares address data provided by an apparent cardholder with address data on file for the card at the card issuer.
- g. Card Association: A company or group of financial institutions which promulgates rules to govern Card Transactions via cards and payment networks that carry the company's or the group's brand. Examples include (where applicable) Visa USA, Visa Europe, and the other Visa regions; MasterCard International Incorporated; American Express Company and similar organisations.
- h. Card Data: All personal or financial information relevant to a Card Transaction, including information recorded on the card itself (whether in human-readable form or digitally), together with the cardholder's name and address and any other information necessary for processing a Card Transaction.
- i. Card Transaction: A payment made using a credit or debit card, an American Express card, or any other payment method using a physical data-carrying item intended to be held in the payor's possession. The Services support only certain types of Card Transactions; see the PayPal Website for more information.
- j. CVV2 Data: The three-digit number printed to the right of the card number in the signature panel area on the back of the card. (For American Express cards, the code is a four-digit unembossed number printed above the card number on the front of the American Express card.) The CVV2 Data are uniquely associated with each individual plastic card and ties the card account number to the plastic.
- k. Fastlane or Fastlane by PayPal: The optional Fastlane by PayPal service that allows you to pre-populate payment card and shipping data of participating Fastlane consumers.

- l. Fraud Protection Tools: means the optional Services associated with Advanced Credit and Debit Card Payments that allows you to access additional risk management features that may help protect you from potentially fraudulent transactions, as described in more detail on the PayPal website and in [Schedule 3](#).
- m. Monthly Fee: A fee payable on a monthly basis as required in clause 2 above.
- n. PayPal Payment Button: means where PayPal is a payment option on a Merchant's website at checkout, with payments being processed by PayPal through the PayPal APIs and funded directly from a user's PayPal account.
- o. "PayPal Services" or "Services" means the Online Card Payment Services or other offerings identified or otherwise provided pursuant to this Card Agreement. Such services may be described more fully on our Website.
- p. PayPal Website: means [www.paypal.com/sg](http://www.paypal.com/sg).
- q. PCI DSS: Payment Card Industry Data Security Standard, i.e. specifications prescribed by Card Associations to ensure the data security of Card Transactions. A copy of PCI DSS is available online from <https://www.pcisecuritystandards.org>.
- r. Recurring Billing means the optional feature that, with the consent of your customer, enables you to set up payments that recur at specified intervals and frequencies, as described in more detail on the PayPal Website.
- s. Recurring Payments means the optional feature that, with the consent of your customer, enables you to set up payments that recur at specified intervals and frequencies, as described in more detail on the PayPal Website.
- t. Shared Customer: A person who both has a PayPal account and is also your customer.
- u. User Agreement: The online agreement you entered into with PayPal as part of the online registration process required to open a PayPal account, as it may have been amended from time to time. The current User Agreement is to be found via a link from the footer of nearly every page on the PayPal Website. It includes certain policies, notably the Acceptable Use Policy and Privacy Policy, which are also listed on the PayPal Website.
- v. Vaulting Tool: The API-based technology provided by PayPal to enable you to store and retrieve Card details for payments that recur at specified intervals or frequencies with authorization from the payor, as described in more detail on the PayPal website.

## Schedule 1 – Data Security Requirements

## Data Security Requirements

### 1. Merchant's Security Codes obligations

- a. The Merchant acknowledges and agrees that it is solely responsible for maintaining adequate security and control of any and all IDs, passwords or other security codes (collectively, the "Security Codes") that are issued to the Merchant by PayPal or the Acquiring Institution.
- b. The Merchant agrees to restrict use of, and access to, the Merchant's Security Codes to the Merchant's employees, agents or contractors as may be reasonably necessary to allow Merchant to use any applicable Service and to ensure that such persons comply with the provisions set out in this Schedule or the other security advice provided to the Merchant by PayPal or the Acquiring Institution (as the case may be).

### 2. Merchant's obligations to comply with Data Security requirements

- a. The Merchant acknowledges and agrees that it is fully responsible for the security of data on its website or otherwise within its possession or control.
- b. The Merchant agrees to do the following with respect to its processing of its customers' personal identifiable information and the collection, security and dissemination of data on the Merchant's website:
  - i. comply with all applicable laws and regulations;
  - ii. comply with the Association Rules;
  - iii. comply with the Payment Card Industry Data Security Standards (PCI DSS), the Payment Application Data Security Standards (PA DSS), and any Card Association data security requirements, as applicable, including without limitation:
    - a. install and maintain a firewall configuration to protect data;
    - b. not use vendor supplied defaults for system passwords and other security parameters;
    - c. protect stored data;
    - d. encrypt transmission of cardholder data and sensitive information across public networks;



- e. use and regularly update anti-virus software;
  - f. develop and maintain secure systems and applications
  - g. restrict access to data by business need-to-know;
  - h. assign a unique ID to each person with computer access;
  - i. restrict physical access to cardholder data;
  - j. track and monitor all access to network resources and cardholder data;
  - k. regularly test security systems and procedures; and
  - l. maintain a policy that addresses information security.
- iv. At PayPal's request, the Merchant must provide PayPal with evidence to PayPal's satisfaction that it is in compliance with PCI DSS. The Merchant acknowledges and agrees that nothing in this Card Agreement nor PayPal providing the Services will constitute compliance by the Merchant to the PCI DSS whether via a third party "Qualified Security Assessor" and such compliance services are not provided under the scope of this Card Agreement. The Merchant must design, maintain and operate its website and other systems in conformity with PCI DSS. PayPal is not responsible for any costs that you incur in complying with PCI DSS. The Merchant agrees to independently arrange, at its own expense, evidence from a Qualified Security Assessor or otherwise to PayPal's satisfaction. If the Merchant does not initiate a security audit within 10 business days of PayPal's request, PayPal may conduct or obtain such an audit at the Merchant's expense. PayPal may advise Shared Customers, if PayPal has reason to believe that a fraud or other illegitimate activity may be occurring or may have occurred, and if PayPal reasonably believes that the fraud or other illegitimate activity may affect those Shared Customers' PayPal accounts.
- v. undertake non penetrative scans (either quarterly or annually depending on the volume of the Merchant's annual transactions as notified by either PayPal or the Acquiring Institution to the Merchant) of the Merchant's web accessible ports and an on site audit if the Merchant processes six million Visa and/or MasterCard/Maestro transactions annually which must be completed by a Qualified Security Assessor.

For details of Visa and MasterCard Qualified Security Assessors log onto: [http://www.mastercard.com/us/sdp/serviceproviders/compliant\\_serviceprovider.html](http://www.mastercard.com/us/sdp/serviceproviders/compliant_serviceprovider.html) or [https://www.pcisecuritystandards.org/pdfs/pci\\_qsa\\_list.pdf](https://www.pcisecuritystandards.org/pdfs/pci_qsa_list.pdf).

- vi. conspicuously post a privacy policy on the Merchant's website which complies with the laws, regulations, rules and guidelines referred to in sub-paragraphs 3(b)(i) and 3 (b) (ii) and which is consistent with good business practice;
  - vii. notify PayPal of any agent, including any web hosting service, gateway, shopping cart or other third party provider, that has access to cardholder data and ensure that such agent is compliant with PCI DSS and all current legal obligations associated with the collection, security and dissemination of data and the processing of personal information. The Merchant will be liable to PayPal for any and all damages, losses, costs, expenses and/or claims made to, or suffered by, PayPal as a result of a breach by such third parties obligations under this sub-paragraph;
  - viii. provide PayPal with all information or access to records as needed by PayPal to ensure the Merchant's compliance with this paragraph 3; and
  - ix. notify PayPal immediately of any security breach to the Merchant's records or system as it relates to the Merchant's access to, and/or utilisation of the Services.
- c. The Merchant agrees to not store any personal identification number data, AVS (address verification service) data or card validation codes (for example, the three digit values printed in the signature panel of most cards and the four digit code printed on the front of the American Express card) of any cardholder or any other payment method information of any cardholder (whether received electronically, verbally, by fax, hardcopy or otherwise) and will be liable for any fines associated with the breach of any relevant Association Rule or guidance.
- d. The Merchant acknowledges and agrees that if PayPal receives notice of a security breach or compromise of cardholder data in connection with the Merchant, the Merchant will allow a third party forensic auditor certified by the Card Associations to conduct a security review of the Merchant's systems, controls and facilities and to issue a report to PayPal and the Card Associations. If the Merchant fails to initiate such a process after PayPal's requesting it to do so, the Merchant authorises PayPal to take such action at the Merchant's expense.
- e. PayPal may immediately suspend the Merchant's access to or use of any of the Services or terminate without notice this Card Agreement upon notice of the Merchant potentially breaching or breaching any provision set out in this paragraph 3.
- f. If PayPal suspends your access to or use of any Service, PayPal will set out in a notice to the Merchant and explain the basis of PayPal's actions in suspending the Merchant, including measures reasonably calculated to rectify the breach. PayPal's suspension of the Merchant's access or use of any Services will remain in effect and until such time as PayPal is satisfied that the Merchant has remedied the applicable breach(es).

### 3. PayPal's obligations to keep data secure

When processing the personal data of cardholders whose transaction data the Merchant submits to PayPal, PayPal will, at all times, ensure that the security measures employed in respect of the storage, transmission or any other processing of such personal data:

- a. comply with all applicable laws and regulations; and
- b. employ industry standard or better encryption and security methods as being appropriate for use by financial institutions.

### 4. Merchant's use of cardholder information

- a. The Merchant agrees to only use, disclose or process, any cardholder information obtained in connection with a Card Transaction (including the names, addresses and card account numbers of cardholders) including for the purposes of authorising, completing and settling Card Transactions and resolving any chargeback or reversal disputes, retrieval requests or similar issues involving Card Transactions. The Merchant will only be able to process cardholder information differently than set out in this paragraph if the Merchant obtains the prior written consent from PayPal and each applicable Card Association, card issuing bank and cardholder or as otherwise pursuant to a court order or otherwise required by law.
- b. The Merchant agrees to:
  1. establish and maintain sufficient controls for, limit access to and render unreadable prior to discarding, all records containing cardholder account numbers and card imprints;
  2. not sell or disseminate any cardholder information obtained in connection with a Card Transaction held in a database or otherwise (including the names, addresses and card account numbers of cardholders);
  3. not retain or store magnetic stripe data or hardcopies containing cardholder data (including faxes) after a transaction has been authorised; and
  4. not reproduce any electronically captured signature of a cardholder except on PayPal's specific request (upon such a request the Merchant agrees to comply).
- c. The Merchant acknowledges that Association Rules prohibit the sale or disclosure of databases containing cardholder account numbers, personal information or other Card Association transaction information to third parties as an asset of a failed business. In such cases, the Merchant agrees that transaction information is to be returned to the Acquiring Institution or acceptable proof of destruction of this data is provided.

- d. The Merchant agrees that it is responsible and liable for compliance with this paragraph by any third-party processor, hosting service or other agent of the Merchant engaged in the processing or storage of cardholder data. The Merchant agrees to notify PayPal in writing of any third party engaged by any third party processor, hosting service or other agent prior to the Merchant engaging them and further immediately notify PayPal in writing of any access to transaction data by any unauthorised person.
- e. Unless the Merchant receives and records the express consent of the cardholder:
  - 1. the Merchant may not retain, track, monitor or store any Card Data, or use Card Data beyond the scope of the specific transaction for which Card Data was given, and
  - 2. the Merchant must completely remove all Card Data from its systems, and any other place where it stores Card Data, within 24 hours after it receives an authorisation decision relevant to that Card Data.
- f. If, with the cardholder's consent, the Merchant retains Card Data, it may do so only to the extent that the Card Data are necessary for processing payment transactions. The Merchant must never give or disclose the retained Card Data to anyone, not even as part of the sale of its business. Moreover, and regardless of anything to the contrary, the Merchant must never retain or disclose the CVV2 Data, not even with the cardholder's consent.

#### 5. Merchant's use of a Technical Service Provider

- a. The Merchant may utilise third parties to perform certain the Merchant obligations set out in this Schedule with our express written consent which may contain conditions as to the Merchant's use of such a person (each such a party known as a "Technical Service Provider"). To be eligible for consent, each Technical Service Provider must (among other things) be registered with the applicable Card Association.
- b. If the Merchant is permitted to utilise a Technical Service Provider, the Merchant agrees and will procure that the Technical Service Provider will comply with the provisions relating to data and information security as set out in this Schedule (including, without limitation, PCI DSS requirements) as they apply to storing, processing or transmitting cardholder data to PayPal.
- c. Prior to, or from the appointment of a Technical Service Provider, the Merchant agrees to:
  - 1. notify PayPal in writing of the details of the Technical Service Provider that engages in, or proposes to engage in, the processing, storing or transmitting of cardholder data on the Merchant's behalf, regardless of the manner or duration of such activities;
  - 2. provide satisfactory evidence to PayPal that the Technical Service Provider is

registered with the applicable Card Association;

3. comply with any requirements of the Technical Service Provider including, without limitation, complying with any requirements relating with respect to the Technical Service Provider's services, hardware or software and obtaining any required end user consents for transmission of data through the Technical Service Provider; and
  4. at PayPal's discretion, provide PayPal with permission to register the Merchant with the relevant Technical Service Provider (as required).
- d. The Merchant agrees that it is solely responsible for the relationship with the Technical Service Provider and any data transmitted or made available to the Technical Service Provider. The Merchant's failure to comply with the provisions set out in this paragraph 5, or the failure of the Technical Service Provider or gateway processor to register and/or comply with the applicable data security requirements may result in fines or penalties which the Merchant is liable for. PayPal may immediately terminate this Card Agreement upon the Merchant breaching this paragraph 5.

## Schedule 2 – Bank Agreement

### Bank Agreements

PayPal uses services from third parties to process card transactions. The relevant agreement is located at [https://www.paypal.com/sg/webapps/mpp/ua/ceagreement-full?locale.x=en\\_SG](https://www.paypal.com/sg/webapps/mpp/ua/ceagreement-full?locale.x=en_SG) (Commercial Entity Agreement for PayPal Payment Card Funded Processing Services).

## Schedule 3 – Fraud Protection Terms

### Terms of use of the Fraud Protection Tools

#### 1. How the Fraud Protection Tools work

- a. The Fraud Protection Tools are made available to you as fraudulent transaction management tools to help you screen potentially fraudulent transactions based on the settings you adopt in the Fraud Protection Tools. The Fraud Protection Tools allow you to set filter rules, i.e. to instruct us about which transactions the tool shall decline on your behalf based on abstract criteria. In order to use the Fraud Protection Tools, you must follow our instructions to actively turn on the Fraud Protection Tools.
- b. We may provide tips regarding what filters and settings in the Fraud Protection Tools to use that may be appropriate for your business. These suggestions take into account your past

transaction history.

- c. Notwithstanding the above, if you use Fraud Protection Tools, it is your responsibility to determine, and set the final filter rules. Please note: If you set these filter rules too restrictively, you might lose sales volume. We advise you to monitor your filter rules and settings on an ongoing basis.

## 2. No Warranty and Limitation of Liability

- a. We do not represent or warrant that the Fraud Protection Tools are error-free or that they will identify all potentially fraudulent transaction activity. These are simply tools that would assist you with identifying potential fraudulent transactions.
- b. We are not liable for your losses (such as loss of profits) or damages arising from or related to your use of the Fraud Protection Tools, to the extent that applicable law allows. The sections of the [User Agreement](#) on “Indemnification and Limitation of Liability” and “Disclaimer of Warranty and Release” apply to your use of the Fraud Protection Tools.

## 3. Data Protection

- a. You may only use the Fraud Protection Tools, (including any Data provided by you or to you) for the purpose of your management of fraud risk and for no other purpose.
- b. You may not share use of the Fraud Protection Tools with any other person, nor may you disclose to any person the categories provided in the Fraud Protection Tools or the results generated from your use of the Fraud Protection Tools.
- c. You acknowledge and agree that you have all rights and authorities to share personal data with PayPal.

## 4. Miscellaneous

- a. Despite your settings on the Fraud Protection Tools, we always retain the right to decline or suspend any transaction pursuant to the terms of the [User Agreement](#).
- b. These terms supplement the [User Agreement](#) that governs your use of our services in general. The term PayPal services in the [User Agreement](#), when read together with these terms, includes the Fraud Protection Tools, when applicable.
- c. We may amend, delete or add to these terms in line with any change process set out in the Card Agreement. If you do not agree with any change, you may terminate these terms.
- d. You may terminate these terms under this Schedule 3 at any time by removing the Fraud Protection Tools from your integration and following any other integration-related steps

which we may make available to you. This lets you stop using the Fraud Protection Tools, but otherwise your PayPal account remains open and the Card Agreement (and any other relevant agreements relating to the provision of Services and/or PayPal services to you) remains in effect.

- e. We may, at any time, for any reason and (where possible) with reasonable prior notice, terminate, cancel or suspend a Service to the extent it relates to our Fraud Protection Tools without liability towards you.
- f. These terms survive any termination to the extent and for so long as we require to: (i) deal with matters arising from your use of the Fraud Protection Tools prior to termination; and/or (ii) comply with applicable laws and regulations.

## 5. Invoicing

- a. Fees for Fraud Protection Tools, to the extent applicable, will be charged monthly.
- b. We will invoice you on the 7th of each calendar month (or a date otherwise notified by PayPal) for all fees, charges, or other amounts accrued in connection with your use of Fraud Protection Tools.
- c. PayPal may allow you to choose the currency in which the invoice will be billed ("Fee Invoice Currency"). If you have accepted transactions in currencies other than the Fee Invoice Currency, then PayPal will convert those currencies into the Fee Invoice Currency at the time of Fee Invoice generation. PayPal may convert the relevant balance in your PayPal account in order to settle the Fee invoice. If PayPal converts currency pursuant to this provision, it will be completed at an exchange rate that we set in accordance with the PayPal User Agreement and that includes our currency conversion fee; or, if required by law or regulation, set at the relevant government reference rate(s).
- d. You authorize PayPal to debit and set off from the relevant balance in your PayPal account any amounts due to PayPal. If necessary, you also authorize PayPal to credit your PayPal account to correct erroneous debits and for fees, charges, or other amounts arising from your use of Fraud Protection Tools. You grant PayPal permission to debit or setoff amounts due from the relevant balance in your PayPal account on the 10th of the month (or a date otherwise notified by PayPal) ("Debit Authorization"). If the relevant balance in your PayPal account is insufficient to cover the amounts due to PayPal, then this will result in a negative balance in your PayPal account. In the event that we are unable to successfully debit your PayPal account, we may, but are not obliged to, make subsequent attempts. Deactivating Fraud Protection Tools in your PayPal account settings does not terminate, cancel, reduce, or otherwise affect the obligations you owe to PayPal.

- e. PayPal may engage in collection efforts to recover the amount due from you; or take any or all other actions as provided herein or in the User Agreement.

## Schedule 4 – Account Updater Service for Certain Services

1. If you use Advanced Credit and Debit Card Payments, you may be able to enroll in our Account Updater Service.
2. **Description.** Subject to the terms of this Schedule 4, the Account Updater Service allows PayPal to send the applicable Card Data of eligible cards to one or more third party sources (including, but not limited to, the Card Associations), and use information available to PayPal, to check and update the applicable Card Data. Following these checks, the applicable updated Card Data relating to Merchant's customers, if any, is processed and stored by PayPal at Merchant's direction and on the Merchant's behalf for (i) recurring transactions or (ii) other eligible transactions using the Services. PayPal will either provide Merchants with email notification that the Account Updater Service has been activated on such Merchants' account(s) or allow Merchants to enable the Account Updater Service on their account(s) through their PayPal account settings. Merchants may elect to discontinue use of the Account Updater Service at any time by providing written notice to PayPal of such election or by such other means as may be determined by PayPal regarding the requirements for such Merchants to discontinue use of the Account Updater Service.
3. **Permitted Use.** Merchant acknowledges and agrees that the Account Updater Service is provided solely for the purpose of updating applicable Card Data to enable Merchant's acceptance of transactions using the applicable Products. Merchant shall not use the Account Updater Service for any other purpose, including, without limitation, the use of any portion of the Account Updater Service data in connection with the development of any other service or product.
4. **Merchant Obligations.** Merchant shall fully comply with applicable law and the card scheme rules in connection with its use of the Account Updater Service. Further, Merchant shall provide its customers, whose card(s) is/are eligible for the Account Updater Service, with all disclosures required under applicable law to enable Merchant to use the Account Updater Service to update the customer's Card(s). The foregoing shall include, but shall not be limited to, incorporating promptly into Merchant's standard terms and conditions, privacy policy, and/or other customer facing documentation, any language required by applicable law or the card scheme rules. Merchant shall also provide adequate disclosures to make clear to customers that if they do not want their applicable Card Data updated, they may request Merchant to remove their card that is being stored by PayPal.
5. **Accuracy of Information.** Merchant acknowledges that the Account Updater Service may only be accurate to the extent a card issuing bank and a customer participate, and that many card



issuing banks and customers may not participate. Merchant acknowledges and agrees that the Account Updater Service may rely upon information, Card Data, and services provided to PayPal by third parties.

6. Confidentiality. You agree that you shall keep all information and Card Data provided through the Account Updater Service, if any, strictly confidential. You may not disclose any such information or Card Data to any third party and you may not use such information or Card Data for any purpose other than as may be expressly permitted.
7. Indemnification. You shall indemnify PayPal against any loss arising as a result of a breach by you of your obligations under this Schedule 4 for use of the Account Updater Service.
8. Cessation and Availability of Account Updater Service. PayPal may immediately cease offering or providing the Account Updater Service to Merchants at any time upon email notice to Merchants. PayPal does not ensure that the Account Updater Service will be available for all Card Data.

## Schedule 5 – Chargeback Protection Tools

1. Chargeback Protection Tool Options. PayPal's Chargeback Protection and Effortless Chargeback Protection tools (collectively, "Chargeback Protection Tools") have two main benefits. First, they analyze credit and debit card transactions for fraud risk, approving or declining transactions based on the risk ("CBT Risk Assessment"). Second, for Eligible Transactions and Eligible Chargebacks (defined below), Chargeback Protection Tools allow you to retain the amount that would otherwise be refunded to the buyer as part of the Chargeback process (the "Chargeback Transaction Amount"), *and* have PayPal waive Chargeback Fees (the "Chargeback-Related Fees") that we would otherwise charge you when a buyer files a Chargeback claim. The Chargeback Transaction Amount and the Chargeback-Related Fees are collectively referred to in this Agreement as "Chargeback Costs". Chargeback Costs are waived by PayPal only for Eligible Transactions and only for Eligible Chargebacks.

The waiver of Chargeback Costs does not apply to any fees charged by third parties involved in processing the transaction and managing Chargeback claims, including but not limited to financial institutions, banks, and Card Associations. These third parties may assess additional fees related to Chargebacks which cannot be waived by PayPal and will be passed through to you at the amounts established by those third parties.

It is your sole responsibility to provide any necessary notices and disclosures to, and obtain any required consents from, your customers on your website or mobile application relating to your use of the Chargeback Protection Tools. You acknowledge and agree that PayPal does not represent or warrant that its risk assessment as part of Chargeback Protection Tools will be error free or that it

will identify or prevent all fraudulent transaction activity.

There are two types of Chargeback Protection Tools:

- a. "Chargeback Protection": requires you to provide proof of shipment or proof of delivery for goods or services for Eligible Transactions within two (2) days of PayPal's receipt of the Chargeback claim (or such other time period as specified by PayPal) and in the manner specified by PayPal in order to retain the Chargeback Costs.
  - b. "Effortless Chargeback Protection": does not require you to provide proof of shipment or proof of delivery for goods or services for Eligible Transactions in order to retain the Chargeback Costs *unless* the Chargeback claim alleges the product was not received by the buyer. If the Chargeback claim alleges the product was not received by the buyer, in order to retain the Chargeback Costs, proof of shipment or proof of delivery for goods or services must be provided within two (2) days of the Chargeback claim (or such time period as otherwise specified by PayPal) in the manner specified by PayPal.
2. Merchant Enrollment Criteria for Chargeback Protection Tools. To be eligible for the Chargeback Protection Tools, you must, at all times, (1) maintain a PayPal Business account in good standing, (2) be approved by PayPal for a Chargeback Protection Tool, (3) comply at all times with PayPal's Acceptable Use Policy, other applicable terms of the PayPal User Agreement and with any integration and onboarding requirements for Online Card Payment Services and the Chargeback Protection Tools, (4) provide additional data as requested by PayPal; and (5) enable the AVS/CVV in the Online Card Payment Services. PayPal reserves the right to change the integration and onboarding requirements applicable to the Chargeback Protection Tools from time to time in accordance with this Agreement. PayPal also reserves sole discretion over which Merchants may enroll in and utilize the Chargeback Protection Tools.

By enrolling, you acknowledge and agree that PayPal is waiving its right to recover certain chargeback-related amounts from you. The waiver does not constitute an insurance policy or contract under any applicable insurance laws; it is a complementary service provided by PayPal, subject to your payment of cost-sharing and administrative fees and your continued compliance with all eligibility requirements. PayPal reserves the right to suspend or terminate this service under the conditions listed in [section 8](#), including material breach of this Agreement or misrepresentations made in your application.

Chargeback Protection cannot be used simultaneously with Fraud Protection or Fraud Protection Advanced on the same account. Upon enrolling in a Chargeback Protection Tool, your use and access to Fraud Protection or Fraud Protection Advanced may automatically be terminated.

3. Eligible Transactions. The Chargeback Protection Tools only apply to credit or debit card transactions that meet all of the criteria set forth below ("Eligible Transactions"):

- a. a transaction processed via PayPal;
- b. a transaction that is payment for goods and services that are not excluded under the terms of the [PayPal User Agreement](#), including but not limited to the [Acceptable Use Policy](#);

“Eligible Transactions” do not include any of the following:

- a. transactions for goods or services which are ineligible for PayPal’s Seller Protection program, a list of which can be found [here](#);
- b. checkout transactions initiated by your agent or representative on the buyer’s behalf (for example, a payment transaction initiated via telephone by the buyer with the assistance of one of your agents); or
- c. transactions which are part of a pre-authorized subscription agreement or recurring billing agreement or other type of reference transaction arrangement between you and the buyer.

To the extent you submit an ineligible transaction for review through the Chargeback Protection Tool, PayPal may, at its option, perform the CBT Risk Assessment for that ineligible transaction and charge you the agreed upon fee for the Chargeback Protection Tool. However, such ineligible transactions will not receive the other benefits of the Chargeback Protection Tools.

4. Eligible Chargebacks. Chargeback Protection Tools apply only to Chargeback claims involving: (i) fraud, as determined by PayPal; or (ii) transactions where the product was not received by the buyer, as determined by PayPal (collectively, “Eligible Chargebacks”).

In addition, where the item sold is a ticket(s) for a future event, to be an Eligible Chargeback:

- a. The event cannot have been cancelled;
- b. At the time of the transaction, Merchant must provide a valid value for “number of days before the event date” to PayPal via the applicable custom API field;
- c. PayPal must receive notice of the Chargeback no more than six (6) days in advance of the event date, or at any time after the event date (the “Eligible Chargeback Window”); and
- d. If an event is rescheduled, the revised “Days before the event date” must be provided to PayPal within one (1) Business Day of the rescheduling and only Chargebacks received within the new Eligible Chargeback Window will be considered Eligible Chargebacks.

The value entered in the “Days before the event date” field must include both the date of the event and the date of the transaction, and cannot be zero, blank, negative, or a fractional number. If the date of the transaction is the same as the event date, the “Days before the event date” is 1.

By way of illustration, if tickets are purchased on August 1 for an event occurring on August 10, the “Days before the event date” value sent at the time of the transaction must be 10, and a Chargeback must be received by PayPal on or after August 4 in order to be an Eligible Chargeback. If the event is rescheduled, a revised “Days before the event date” must be provided as above and a new Eligible Chargeback Window will begin.

5. Establishing Proof of Delivery or Proof of Shipment. The proof of delivery and proof of shipment requirements of PayPal's Seller Protection program apply to the Chargeback Protection Tools and are adopted and incorporated by reference. The proof of delivery and proof of shipment requirements can be found [here](#).
6. Fees for Chargeback Protection Tools. Fees for the Chargeback Protection Tool will vary depending on the Chargeback Protection Tool option you select.  
If you choose to and are approved to change the Chargeback Protection Tool option you select, the change will take effect the next calendar day and will apply to Eligible Transactions that occur on that next calendar day after you change the Chargeback Protection Tool option.
7. Chargeback Recovery by PayPal. PayPal may recover all chargeback losses from you, including Chargeback Costs and any related fees for prior Eligible Chargebacks, if:
  - a. you have provided us with incorrect information or made material misrepresentations during the application process for a Chargeback Protection Tool or during sign up for a PayPal account
  - b. you violate the [PayPal User Agreement](#), the [Acceptable Use Policy](#) or this Agreement;
  - c. you fail to comply with any integration and onboarding requirements for Online Card Payment Services or the Chargeback Protection Tool for a period of 15 consecutive calendar days; or
  - d. if PayPal determines, on its sole discretion, that chargeback losses occurred due to security lapses by you or your agent.
8. Termination, Suspension or Cancellation of the Chargeback Protection Tools. Notwithstanding PayPal's rights of termination or suspension under any other provision of this Agreement, PayPal may also terminate or suspend your use of a Chargeback Protection Tool, based on reasonable grounds, with or without prior notice to you, if:
  - a. you fail to comply with the eligibility requirements for the Chargeback Protection tools or PayPal's integration requirements, including failing to provide information required by applicable developer documents;
  - b. you choose to not comply with or you disable any verifications or checks of transaction data as required by PayPal;
  - c. Your average chargeback rate exceeds either:
    - i. One and one-half (1.5) times the fees paid for the Chargeback Protection Tool for a period of sixty (60) consecutive days; or
    - ii. Three (3) times the fees paid to PayPal for the Chargeback Protection Tool for more than five (5) days across a period of ten (10) consecutive days or more than ten (10) days across a period of thirty (30) consecutive days;
  - d. PayPal determines that there has been a material change in the nature of your business, including to the kinds of goods or services sold, the regions in which you operate, or your

average chargeback loss rates materially increase; and/or

- e. PayPal determines that you materially misrepresented the nature of your business during the onboarding process, including the nature of your business, the types of goods or services sold, the regions in which you operate, or your average chargeback losses.
- f. your PayPal account is subject to any unresolved negative balance or under any active or pending restriction, suspension or closure or is noncompliant with PayPal's Acceptable Use Policy or other applicable terms of the PayPal User Agreement.

9. Loss Cap. Use of the Chargeback Protection Tools is subject to a monthly loss cap rate of 1.20% of your Monthly Total Payment Volume (the "Loss Cap Rate"). For chargebacks that would exceed the Loss Cap Rate for a given calendar month, PayPal will debit the Chargeback Transaction Amount as provided in [Section 1](#), and PayPal will charge Chargeback-Related Fees for the chargeback. The Loss Cap Rate is calculated at the time a chargeback is received by PayPal ("Chargeback Receipt Date").

If the Chargeback Receipt Date occurs in the same calendar month in which the chargeback-related transaction occurred, the Loss Cap Rate is calculated using the following formula:

Eligible Chargebacks received in the month of the transaction up to and including the Chargeback Receipt Date (divided by) Monthly Total Payment Volume received in that month up to and including the Chargeback Receipt Date.

If the Chargeback Receipt Date occurs after the calendar month in which the Chargeback-related transaction occurred, the Loss Cap Rate is calculated using the following formula:

Eligible Chargebacks received in the month of the transaction (divided by) Monthly Total Payment Volume of the month of the transaction;

For purposes of the Loss Cap Rate, "Monthly Total Payment Volume" means Merchant's monthly, consolidated, successfully processed volume of Eligible Transactions for all accounts of or belonging to a single MID.

## Schedule 6 – Terms of use of Fastlane by PayPal (the "Fastlane Terms")

1. This Schedule applies to your use of Fastlane.
2. Use of Fastlane. To use Fastlane, you will need to integrate Fastlane functionality into your online checkout or sales platform. When doing so, you will need to follow all of the rules provided by PayPal. This includes using both the profile creation and guest checkout acceleration components of the Fastlane service. The Fastlane service is solely a data management service. It allows the

pre-population of payment card and shipping information for transactions that have been approved by participating Fastlane consumers. Fastlane is not a payment processing service. PayPal is not providing any form of payment processing services in accordance with these Fastlane Terms.

3. Fees for Fastlane. We reserve the right to introduce additional fees for Fastlane. Any fees introduced will be payable in accordance with the terms of the Card Agreement.
4. Your Use of Personal Data. If you process any personal data about a Fastlane customer as part of this Card Agreement, we will each be an independent data controller (and not joint controllers). This means we will each separately decide the purposes and means of processing the personal data. We each agree to comply with the requirements of any privacy and data protection laws. This includes any regulations, directives, and codes of practice applicable to data controllers in connection with this Card Agreement. We each also have and will follow our own independently created privacy statements, notices, policies, and procedures for any personal data that we process as part of this Card Agreement. In complying with the data protection laws, we will each:
  - a. keep such personal data confidential;
  - b. carry out and maintain all appropriate security measures in relation to the processing of personal data;
  - c. maintain a record of all processing activities performed under this Card Agreement; and
  - d. not knowingly or intentionally do anything or permit anything to be done which might lead to a breach by the other party of the applicable data protection laws.

Any personal data provided to you by PayPal in connection with Fastlane will be used by you only to the extent it is necessary and relevant to Fastlane. It shall not be used for anything else (including marketing) unless you have obtained the prior consent of the customer. This excludes any personal data collected by you directly from the customer. You warrant that you will provide and/or obtain all necessary disclosures and consents in connection with any personal data provided to PayPal. You agree that you will only submit personal data coming from a genuine single customer transaction to PayPal through your use of Fastlane. Such transfer of data must be authorised by the customer.

You may not send any customer personal data provided to you by PayPal to a third party, unless such third party is your service provider (as defined by applicable law). You may not combine personal data provided to you by PayPal with any other data. You may not use any personal data provided to you by PayPal to send, or assist in sending, unsolicited emails to third parties.

The Data Portability part of the Card Agreement does not apply to the Fastlane services. Fastlane

Card Information is not portable, including when you have been given consent by your customer to store data collected in connection with the Fastlane service.

5. **Termination.** In addition to the term and termination rights contained in the Card Agreement, PayPal can, in its own discretion, terminate or suspend your use of Fastlane at any time by giving reasonable notice. PayPal may also do so immediately: (a) for any breach of the Card Agreement, including this Schedule 6; (b) for any violation of law, regulation, or PayPal policy; or (c) if PayPal determines that your use of Fastlane could expose PayPal to financial loss or legal liability. You may terminate your use of Fastlane by turning off Fastlane in the control panel. If you no longer wish to collect additional Fastlane–required customer data, you will also need to remove your Fastlane integration when you turn off Fastlane.

Regardless of anything else in Schedule 6 or the Card Agreement, Card Information originating from Fastlane transactions (“Fastlane Card Information”) will not be included in the Data Portability services offered under the Card Agreement. Any termination or suspension of Fastlane will not automatically result in termination or suspension of the Card Agreement. Even if Fastlane is terminated or suspended, your use of Fastlane Card Information will be controlled by this Card Agreement.

6. **Miscellaneous.** If there is a conflict between Schedule 6 and any other parts of the Card Agreement with respect to Fastlane, Schedule 6 will take priority.

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