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# PayPal Platform Seller Account Agreement for Online Storefront Sellers

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United States

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This Platform Seller Account Agreement (this “Agreement”) is between PayPal and you, the entity or individual who enters into this Agreement, and governs your use of the services provided by PayPal on or through a third-party platform (the “Platform”), including accepting payments for goods or services, donations as well as other related services on the Platform. This Agreement is a legally binding contract and is effective as of the earlier of the date you accept this Agreement online or begin using the Services. You expressly agree to the terms and conditions of this Agreement and any updates or modifications to this Agreement made by PayPal. You agree that PayPal may amend this agreement by arranging with the Platform to provide you with notice of amended terms and by posting a revised version on our website. You appoint the Platform as your agent for purposes of receiving notice of amendments to this Agreement and your use of the Services after the effective date of the posted amendment shall constitute acceptance of such amendment.

Please read this Agreement carefully. This Agreement includes and incorporates by reference other agreements, including the [PayPal Privacy Policy](#), our [Acceptable Use Policy](#), and our [Commercial Entity Agreements](#).

**Please be advised that this Agreement contains provisions, including an Agreement to Arbitrate, that govern how claims you and PayPal have against each other are resolved, which will, with limited exception, require the parties to submit claims they may have against one another to binding and final arbitration. Under the [Agreement to Arbitrate](#), the parties will (1) only be permitted to pursue claims against each other on an individual basis, not as a plaintiff or class member in any class or representative action or proceeding and (2) only be permitted to seek relief (including monetary, injunctive, and declaratory relief) on an individual basis.**

## 1. PLATFORM SELLER ACCOUNT AND PAYPAL SERVICES

**1.1. PayPal Processing Services.** “PayPal Processing Services” or the “Services” means the payment processing services offered by PayPal which provide you, the holder of the Platform Seller Account, with the ability to accept PayPal payments, credit cards, debit cards and other payment types on the Platform in exchange for goods and services, or donations. PayPal provides the Services for your use subject to the terms and conditions of this Agreement.

**1.1.1. ACH Service Terms.** As part of the Services offered by PayPal, the Platform may allow you to originate Automated Clearing House (“ACH”) credit and debit entries to a bank account (the “ACH Service”). If you use the ACH Service through the Platform, you agree to the following terms.

- a. **Fees.** You agree to pay all fees and charges as agreed in writing, as well as other amounts owed, pursuant to these terms and the Agreement. Such other amounts shall include, without limitation, any amounts charged to PayPal and/or you by NACHA (administrator of the ACH network) in connection with your use of the ACH Services. Any amounts owed to PayPal under these terms may be deducted from your payout or debited from your Settlement Account.
- b. **Transaction Limits.** You agree to use the ACH Service in accordance with transaction limits approved by the Platform.
- c. **Compliance.** You agree to comply with the rules, guidelines and bylaws of NACHA (which may be found on [NACHA’s web site](#)) and other applicable laws and regulations related to use of the ACH network (as may be amended).
- d. **Authorization.** You are responsible for obtaining authorization to debit your customers’ bank accounts for ACH payments, and agree that you shall obtain such authorization in each instance. You shall provide PayPal with evidence of authorization upon request. PayPal shall not be liable for any debit or other failure (or any related costs) arising from your acts and omissions, including failure to obtain customer authorization. You shall maintain data sufficient to reconstruct the transaction authorization, and maintain such authorization in accordance with all applicable laws, rules and regulations. You agree PayPal is permitted to document and store ACH authorization, including timestamp, your logo and applicable ACH credentials (“ACH Authorization”).
- e. **Termination.** PayPal may terminate your use of the ACH Service for violation of any Association Rules, including, without limitation, acceptable limits for ACH returns.

**1.1.2. Payment Technology Services.** PayPal may allow you to utilize third-party wallets to facilitate transactions. Such capabilities are subject to the following terms: [Apple Pay Web Merchant Terms & Conditions](#)

**1.2. Platform Services.** The Platform may provide certain services to you in relation to the PayPal Processing Services. Examples of services the Platform may provide include, but are not limited to, the following: help you create your Platform Seller Account;

provide customer service, refund and dispute services for transactions involving your Platform Seller Account; and provide dashboards and other tools on the Platform that may allow you to manage certain aspects of your Platform Seller Account, including as related to the Services. The services provided by the Platform are governed by your agreement with the Platform and are provided by PayPal. Any dispute you might have with the Platform concerning services that the Platform provides are between you and the Platform; PayPal will not be responsible or liable for the Platform's failure to provide those services as agreed. PayPal is not an e-commerce platform or marketplace, and only provides the PayPal Processing Services described in this Agreement.

**1.3. Seller Protection.** The Platform may provide certain seller protection programs or other policies designed to promote successful transactions. However, PayPal's Seller Protection Program does not apply to PayPal Platform Seller Account transactions.

**1.4. Pricing.** The pricing for your use of the Services on the Platform are set forth in your agreement with the Platform. PayPal does not control and is not responsible for Platform fees charged to you. PayPal's fees will either be disclosed to you separately by the Platform or will be consolidated with the fees for the Platform. Whether disclosed separately or consolidated with the Platform's fees, you promise to pay such fees and your payment of such fees constitutes valid consideration for purposes of this Agreement between you and PayPal. PayPal will have the right to deduct from your Platform Seller Account balance both PayPal's fees for Services and the Platform's fees communicated to us by the Platform. PayPal may deduct the fees for Services and the Platform's fees even if there are insufficient funds to cover such fees in your Platform Seller Account balance. If your Platform Seller Account balance becomes negative, you authorize PayPal to debit the amount owed from your Settlement Account, as more fully described below. In the event that PayPal is unable to recover any fee amount that is due from your Platform Seller Account, PayPal may terminate your use of the PayPal Processing Services within 30 days of the date that the fee was due and you will remain obligated to pay PayPal for any unpaid amounts.

**1.5. PayPal is Your Agent for Receiving Payments.** You represent and warrant to PayPal that each payment you receive using the Services is solely in payment for your provision of bona fide goods and/or services (including charitable services) to your customers. You hereby designate PayPal, and PayPal hereby agrees to serve, as your limited agent for the sole purpose of receiving such payments on your behalf from your customers. You agree that upon PayPal receiving payment from a customer: (a) you shall be deemed to have received payment from such customer, (b) such customer's obligation to you in connection with such payment shall be satisfied in full, (c) any claim you have for such payment against such customer shall be extinguished and (d) you are obligated to deliver the applicable goods and/or services to the customer, in each case regardless of whether or when PayPal remits such payment to you. PayPal will remit to you in accordance with this Agreement or apply as an offset to any obligation you may have to PayPal, any such payments it receives on your behalf. Any receipt provided to the customer shall be binding on you and shall satisfy all applicable regulatory requirements.

This paragraph states the entirety of PayPal's duties as your agent for receipt of payment, and no other duties shall be implied by PayPal's undertaking to act in that capacity.

**1.6. Settlement Account and Payouts.** Depending on your agreement with the Platform, PayPal or the Platform will arrange to settle funds to you.

- a. **Settlement and Payouts by Platform.** If the Platform enters an agreement to settle funds to you, PayPal will process and arrange to settle funds from your transactions to the Platform. After PayPal settles those funds with the Platform, the Platform will deposit those funds to you in accordance with your agreement with the Platform.
- b. **Settlement Account and Payouts by PayPal.** If the Platform enters an agreement with PayPal to settle funds to you, PayPal will arrange to settle funds to the bank account or other financial account that you designate on the Platform and as provided to us by the Platform (the "Settlement Account") and on a schedule communicated to us by the Platform. A positive balance in your Platform Seller Account, net of any deductions, set-off or debit of amounts owed to us, will result in settlement to your Settlement Account (a "Payout") and a negative balance in your Platform Seller Account will permit us to initiate a transfer from the Settlement Account in the amount of the negative balance. You agree that we may debit your Settlement Account for the applicable amounts, and/or setoff the applicable amounts against future payouts. Payouts to your Settlement Account, including timing thereof, will be in accordance with terms and conditions established by, and communicated to you by, the Platform. We may reduce the amount transferred to your Settlement Account by the amount of fees, fines, and amounts owed to us or the Platform for any reason. You affirm that you are the owner of the Settlement Account authorized to initiate settlements to and debits from the Settlement Account.

**1.7. Suspension of Payouts.** We reserve the right to suspend Payouts to you. Examples of situations where we may do so are: (i) when we are instructed to do so by the Platform; (ii) where there are pending, anticipated, or excessive chargebacks, refunds, reversals, disputes or invalidated payments; (iii) in the event that we suspect or become aware of suspicious activity; or (iv) where we are required by Laws or court order. We have the right to withhold Payouts upon termination of this Agreement if we reasonably determine that obligations to us might arise after termination of this Agreement (such as if a payment to you is reversed or charged back) or that we may incur losses resulting from credit, fraud, or other legal risks associated with your Platform Seller Account. If we exercise our right to withhold a Payout for any reason, we will work with the Platform to communicate the general reason for withholding the Payout and give you a timeline for releasing the funds and any necessary steps you're required to take.

**1.8. Incorrect Settlement.** The information required for settlement will depend on the financial institution holding the Settlement Account. Please make sure that any information about the Settlement Accounts that you provide to us is accurate and complete. If you provide us with incorrect information (i) you understand that funds may

be settled to the wrong account and that we may not be able to recover the funds from such incorrect transactions and (ii) you agree that you are solely responsible for any losses you or third parties incur due to erroneous settlement transactions, you will not make any claims against us related to such erroneous settlement transactions, and you will fully reimburse us for any losses we incur. If your account information changes or you decide that you want to switch to a different Settlement Account, you must notify us by following the procedures established by the Platform. The Platform might require you to provide notice of a change a certain number of days in advance of the change taking effect. You understand that this requirement exists to ensure that the Platform has sufficient time to notify us of the change and to give us time to reflect the change in our systems. We will not be responsible for any problems with a settlement that results from us using incorrect Settlement Account information because of your delay in providing notice to the Platform.

**1.9. Commercial Entity Agreements.** When the activity through your Platform Seller Account reaches certain thresholds or involves certain business segments or activities, you are required by the Acquiring Banks to agree to a Commercial Entity Agreement to allow you to continue accepting Visa and MasterCard payments. In this case, these [Commercial Entity Agreements](#) will apply to any payment processed by PayPal on your behalf and will form part of this Agreement.

**1.10. 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 card marketing and administrative purposes.
- b. You may be converted from this Agreement to a direct card acceptance agreement with American Express, for purposes of continuing to accept American Express card payments, 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. By accepting these terms, you agree to receive commercial marketing communications from American Express. You may opt out by notifying the Platform or PayPal or through the dashboard or tools provided to you by the Platform. If you opt out of commercial marketing communications, you will still receive important transactional or relationship messages from American Express.
- d. 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 of liability with regard to PayPal's obligations to you under this Agreement.

- e. American Express may conduct an audit of you at any time, for the purpose of determining compliance with the American Express Association Rules.
- f. 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.

## **2. SERVICE REQUIREMENTS, LIMITATIONS AND RESTRICTIONS**

**2.1. Compliance with Applicable Laws.** You must use the Services in a lawful manner, and must obey all laws, rules, and regulations (“Laws”) applicable to your use of the Services and to transactions. As applicable, this may include compliance with domestic and international Laws related to the use or provision of financial services, notification and consumer protection, unfair competition, privacy, and false advertising, and any other Laws relevant to transactions. This may also include compliance with any rule, guideline, or bylaw of any of the card networks (e.g., Visa, Mastercard, American Express and Discover) or of the Platform.

**2.2. Prohibited Businesses and Activities.** In connection with your use of the PayPal Processing Services, you must comply with the [PayPal Acceptable Use Policy](#). You may not use the Services in or for the benefit of a country, organization, entity, or person embargoed or blocked by any government, including those on sanctions lists identified by the United States Office of Foreign Asset Control (OFAC). You may not use the Services to facilitate illegal Transactions or to permit others to use the Services for personal, family or household purposes.

**2.3. Service Limitations and Restrictions.** We may refuse, condition, or suspend any transactions that we believe: (i) may violate this Agreement or other agreements you may have with PayPal; (ii) are unauthorized, fraudulent or illegal; or (iii) expose you, PayPal, or others to risks unacceptable to PayPal. If we suspect or know that you are using or have used the Services for unauthorized, fraudulent, or illegal purposes, we may share any information related to such activity with the appropriate financial institution, regulatory authority, or law enforcement agency consistent with our legal obligations. This information may include information about you, your Platform Seller Account, your customers, and transactions made through your use of the Services.

**2.4. Brand Parity.** By using the Services, PayPal permits you to accept PayPal payments, credit cards, debit cards and other payment types.

With regard to your PayPal acceptance, you agree to the following:

- a. Where you accept PayPal and/or Venmo on your website, you agree to treat PayPal and/or Venmo payment methods or marks at least on par with any other payment methods or marks offered.
- b. 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 or Venmo services or marks).
- c. You must not mischaracterize any PayPal or Venmo services or exhibit a preference for other payment methods over PayPal or Venmo services.
- d. Whenever you display or exhibit the payment methods that you accept (within your marketing materials, advertising, and other customer communications), you agree to display the PayPal or Venmo services payment marks at least as prominently, and in at least as positive a manner, as you do for all other payment methods.

With regard to your Card acceptance, you agree to the following:

- a. Where you accept Cards on your website, you will display each Card's logo with equal size and prominence, and you shall not display a preference for, nor discriminate against, one Card over another, including your refund policies for purchases.
- b. You agree to comply with the logo usage standards located at: </webapps/mpp/logo-center>.
- c. You authorize 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.

### **3. YOUR OBLIGATIONS TO CUSTOMERS AND CUSTOMERS' OBLIGATIONS TO YOU**

**3.1.** You are solely responsible for, and PayPal disclaims any liability for, the provision of goods or services sold to your customers or users as part of your use of the Services, and any obligations you may owe to your customers or users. PayPal is not responsible for your obligations to your customers, including to properly describe and deliver the goods or services being sold to your customers. You are solely responsible for, and PayPal expressly disclaims all liability for, your compliance with applicable Laws and obligations related to your provision of the goods or services to your customers, or receipt of donations. This may include providing customer service, notification and handling of refunds or consumer complaints, provision of receipts, registering your legal entity, or other actions not related to the Services. You agree to indemnify PayPal for any losses we incur based on your failure to properly describe or deliver goods or services, or comply with your legal or contractual obligations to your customers.

**3.2.** PayPal is not responsible for any amounts owed to you by your customers, including amounts for payment transactions that were authorized by the issuer or provider of the payment method but that were subsequently rejected or reversed.

#### **4. LIABILITY FOR INVALIDATED PAYMENTS**

**4.1. Liability for Invalidated Payments.** You are liable for all claims, expenses, fines and liabilities we incur arising out of:

- a. a chargeback, refund, over-payment, payment error, or other invalidated payment you cause (“Invalidated Payment”);
- b. any error, negligence, misconduct or fraud by you, your employees, or someone acting on your behalf; and
- c. any losses resulting from your failure to comply with the terms of this Agreement, or your usage of the PayPal Processing Services.

In the event of an Invalidated Payment or other liability, we may deduct the amounts due to PayPal from your payouts or directly from your Settlement Account. While you may agree to share some liability with the Platform, you are always financially liable to PayPal for disputes (including chargebacks), refunds and any fines that arise from your use of the Services.

#### **5. ACTIONS WE MAY TAKE**

**5.1. Verification of Information.** You authorize PayPal, directly or through third parties, to make any inquiries or take any actions we consider necessary to validate your identity (or the identities of individuals who own or control your company) and verify information that you have provided to us. You agree that all information you provide to us (or to the Platform which in turn may provide it to us) is complete and accurate to the best of your knowledge. PayPal may use the services of third parties to obtain information about you pursuant to this paragraph. You authorize any third party retained by PayPal for this purpose to obtain such information.

**5.2. Actions by PayPal.** If we believe that your transactions pose an unacceptable level of risk, that you have breached the terms of this Agreement, or that your account has been compromised, we may take various actions to avoid liability, to prevent fraud against any party (including you), or to prevent a violation of Law. The actions we may take include, but are not limited to, suspending or limiting your ability to use the PayPal Processing Services, refusing to process any transaction, reversing a transaction, holding your payouts, and contacting your customers to verify transactions and reduce potential fraud and disputes. If possible, we will provide you with advance notice of our actions and



resolution steps. However, advance notice will not be provided if there is an immediate need to take actions such as a security threat, potential fraud, or illegal activity. Nothing in this section shall be construed to impose any obligation on PayPal, and we shall not be liable to you or any other party for failing to exercise our rights under this section.

**5.3. Security Interest.** To secure your performance of this Agreement, you grant to PayPal a legal claim to all funds held for transactions that we process for you. This means that if you have not paid funds that you owe to us or your customers, we have a right superior to the rights of any of your other creditors to seize or withhold funds owed to you for transactions that we process through the Services, and to debit or withdraw funds from your Settlement Account.

## **6. TAXES**

**6.1** You are obligated to pay all taxes, fees and other charges imposed by any governmental authority (“Taxes”), including any value added tax, goods and services tax, provincial sales tax and/or harmonized sales tax on the Services provided under this Agreement. If you are tax-exempt, you may be asked to provide us with an original certificate, or other evidence of tax exemption, that satisfies applicable legal requirements attesting to your tax-exempt status.

**6.2.** Our fees are exclusive of any applicable Taxes, except as expressly stated to the contrary. You have sole responsibility and liability for: (i) determining what, if any, Taxes apply to the sale of your products and services, acceptance of donations, or payments you receive in connection with your use of the Services; and (ii) assessing, collecting, reporting, and remitting Taxes for your business to the appropriate tax and revenue authorities. If we are required to withhold any Taxes, or we are unable to validate any tax-related identification information you provide to us, we may deduct such Taxes from amounts otherwise owed and pay them to the appropriate taxing authority.

**6.3. Tax Forms and Reporting.** We may send documents to you and tax authorities for transactions processed using the Services. Specifically, pursuant to applicable Law (including the Internal Revenue Code), we may be required to file periodic informational return with taxing authorities in relation to your use of the Services. If you use PayPal Processing Services, you acknowledge that we will report the total amount of payments you receive each calendar year as required by the Internal Revenue Service. We also may, but are not obliged to, electronically send you tax-related information (including, when you provide us your tax identification number, a Form 1099-K).

## **7. DATA SECURITY; DATA SHARING; DATA USE; DATA PROTECTION**

**7.1. General.** You are fully responsible for the security of data on your website or otherwise in your possession or control. You agree to comply with all applicable laws and rules in connection with your collection, security and dissemination of any personal, financial, Card, or transaction information (defined as “**Data**”) on your website. You must report any Data breach or incident to PayPal and the Card Companies immediately after discovery of the incident.

**7.2. PCI DSS Compliance.** You agree that at all times you shall be compliant with the Payment Card Industry Data Security Standards (PCI DSS), the Payment Application Data Security Standards (PA DSS), and any card network data security requirements, as applicable. You agree to promptly provide us with documentation evidencing your compliance with PCI DSS, PA DSS, or other card network data security requirements, if requested by us. You also agree that you will use only PCI compliant service providers in connection with the storage, or transmission of a cardholder’s account number, expiration date, and CVV2 (defined as “Card Data”). You must not store CVV2 Data at any time.

You acknowledge that the Platform may offer solutions that help you comply with some of these PCI compliance standards. While the Platform may help you comply or perform certain obligations on your behalf, you remain liable for compliance with these PCI Compliance standards.

**7.3. Audit.** If PayPal believes that a security breach or compromise of Data has occurred, PayPal may require you to have a third-party auditor that is approved by PayPal conduct a security audit of your systems and facilities and issue a report to be provided to PayPal, card networks, and acquiring bank. In the event that you fail to initiate an audit within ten (10) business days of PayPal’s request, PayPal may conduct or obtain such an audit at your expense. In addition, the card networks may conduct an audit at any time, for the purpose of determining compliance with the card network rules.

**7.4. Data Sharing.** You understand and agree that the Platform and PayPal will share certain information about you, activity on your Platform Seller Account, your transactions and any other information necessary to facilitate your use of the Services or our provision of the Services. Where PayPal receives such information, we may use it in accordance with the [PayPal Privacy Policy](#).

**7.5. PayPal Payments and Your Use (as a seller) of Personal Data.** If you accept PayPal payments, where your customer pays using PayPal, and you (as a seller) receive personal data about another PayPal customer, you must keep such personal data confidential and only use it in connection with the PayPal services. You may not disclose or distribute any personal data about PayPal customers to a third party or use such personal data for marketing purposes unless you receive that customer’s express consent to do so. You may not send unsolicited emails to a PayPal customer or use the PayPal services to collect payments to send, or assist in sending, unsolicited emails to third parties.

To the extent that you process any personal data about a PayPal customer pursuant to this agreement, you and PayPal will each be an independent data controller (and not joint controllers), meaning we will each separately determine the purposes and means of processing such personal data. We each agree to comply with the requirements of any applicable privacy and data protection laws, including any applicable regulations, directives, codes of practice, and regulatory requirements applicable to data controllers in connection with this agreement. We each also have and will follow our own independently-determined privacy statements, notices, policies, and procedures for any such personal data that we process in connection with this agreement.

In complying with the applicable data protection laws, we will each:

- implement and maintain all appropriate security measures in relation to the processing of such personal data;
- maintain a record of all processing activities carried out under this agreement; and
- not knowingly or intentionally do anything, or knowingly or intentionally permit anything to be done, which might lead to a breach by the other party of the applicable data protection laws.

Any personal data you collect in connection with the PayPal services (and not otherwise generated, collected, or obtained by you through a customer's separate relationship with you outside the use of the PayPal services) will be used by you only to the limited extent that is necessary and relevant to the PayPal services and for no other purpose unless you have obtained the prior express consent of the customer.

**7.6. Online Card Payments and Compliance with Data Protection Addendum.** If you accept debit and credit card transactions, where your customer enters their card details online, you and PayPal agree to comply with the PayPal Data Protection Addendum for Card Processing Products found [here](#) (the "Data Protection Addendum"), which forms part of this agreement. The terms of the Data Protection Addendum prevail over any conflicting terms in this agreement relating to data protection and privacy.

## **8. REPRESENTATIONS AND WARRANTIES**

**8.1.** You represent and warrant that you have the full power and authority to execute, deliver and perform this Agreement. This agreement is binding and enforceable against you and no provision requiring your performance is in conflict with your obligations under any agreement to which you are a party.

**8.2.** You represent that you are, and at all times during the term you further warrant that you will continue to be, duly organized, authorized and in good standing under the laws of the state, region or country of your organization and duly authorized to do business in all states, regions or countries in which you operate.

**8.3.** You represent and warrant that all information you provide to us directly or through the Platform, including any information you provide about individuals who own or control you company, is complete and accurate and that you will keep the information up to date on the Platform.

**8.4.** You represent and warrant that the Services are being used for business purposes and not for personal, family or household purposes.

## **9. TERM AND TERMINATION**

**9.1. Term.** The term of this Agreement shall commence when you begin using the applicable Platform services and shall continue for as long as you are enabled to use the Services on the Platform or until terminated as set forth herein.

**9.2. Termination.** PayPal may terminate this Agreement or suspend services to you if any of the following occurs: (1) we are required by a payment network association, an acquiring bank, or an order from a regulatory body to cease providing services to you or to limit services to you; (2) we believe that you have breached this Agreement, or are likely to do so; (3) we determine that your use of the PayPal Processing Services carries an unacceptable amount of risk, including credit or fraud risk, to us or to any third party; or (4) any other legal, reputational, or risk-based reason exists, in PayPal's sole discretion. In the event that PayPal must terminate this Agreement, PayPal will work with the Platform to provide you with notice as soon as reasonably practicable.

**9.3. Effect of Termination.** After termination by either party as described above, you shall no longer have access to, and shall cease all use of the PayPal Processing Services. Any termination of this Agreement does not relieve you of any obligations to pay any fees, costs, penalties, chargebacks or any other amounts owed by you to us as provided under this Agreement, whether accrued prior to or after termination.

## **10. INDEMNIFICATION, LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTIES**

**10.1. Indemnification.** You agree to indemnify, defend, and hold harmless PayPal, its parent, affiliates, officers, directors, agents, employees and suppliers from and against any lawsuit, claim, liability, loss, penalty or other expense (including attorneys' fees and cost of defense) they may suffer or incur as a result of (i) your breach of this Agreement or any other agreement you enter into with PayPal or its suppliers in relation to your use of the PayPal Processing Services; (ii) your use of the PayPal Processing Services; (iii) your acts or omissions; and/or (iv) your violation of any applicable law, regulation, or network rules and requirements.

**10.2. Limitation of Liability.** PAYPAL SHALL NOT BE LIABLE TO YOU OR A THIRD PARTY FOR ANY CONSEQUENTIAL, INDIRECT, SPECIAL, INCIDENTAL, RELIANCE, OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE PAYPAL PROCESSING SERVICES, WHETHER FORESEEABLE OR UNFORESEEABLE, AND WHETHER BASED ON BREACH OF ANY EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT, OR OTHER CAUSE OF ACTION (INCLUDING, BUT NOT LIMITED TO, DAMAGES FOR LOSS OF DATA, GOODWILL, PROFITS, INVESTMENTS, USE OF MONEY, OR USE OF FACILITIES; INTERRUPTION IN USE OR AVAILABILITY OF DATA; STOPPAGE OF OTHER WORK OR IMPAIRMENT OF OTHER ASSETS; OR LABOR CLAIMS), EVEN IF PAYPAL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. UNDER NO CIRCUMSTANCES SHALL PAYPAL'S TOTAL AGGREGATE LIABILITY TO YOU OR ANY THIRD PARTY ARISING OUT OF OR RELATED TO THIS AGREEMENT EXCEED THE DIRECT DAMAGES SUFFERED BY SUCH PARTY IN AN AMOUNT EQUAL TO THE AMOUNT OF FEES PAID OR PAYABLE BY YOU TO THE PLATFORM DURING THE FIRST TWELVE (12) MONTH PERIOD AFTER THE EFFECTIVE DATE OF THIS AGREEMENT.

**10.3. Disclaimer of Warranties.** THE PAYPAL PROCESSING SERVICE IS PROVIDED "AS IS" WITHOUT ANY WARRANTY WHATSOEVER. PAYPAL DISCLAIMS ALL WARRANTIES WHETHER EXPRESS, IMPLIED, OR STATUTORY, TO MERCHANT AS TO ANY MATTER WHATSOEVER, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY PAYPAL OR ITS EMPLOYEES OR REPRESENTATIVES SHALL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF PAYPAL'S OBLIGATIONS.

## **11. ARBITRATION AND DISPUTE RESOLUTION**

You and PayPal agree that any claim or dispute at law or equity that has arisen or may arise between You and us will be resolved in accordance with the Agreement to Arbitrate provisions set forth below. Please read this information carefully. Among other things it:

- Affects your and our rights and will impact how claims between you and us are resolved, including your and our agreement to waive the right to trial by jury.
- Includes a [Prohibition of Class and Representative Actions and Non-Individualized Relief](#) pursuant to which you agree to waive your right to participate in a class action against us.

- Requires you to follow the [Opt-Out Procedure](#) to opt-out of the Agreement to Arbitrate by mailing us a written notice that must be postmarked no later than 30 days after the date you accept this Agreement for the first time.

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 PayPal services may be reported to customer service online through the [PayPal Help Center](#) at any time, or by calling (888) 221-1161 from Mon-Fri 5:00 AM to 10:00 PM PT and Sat-Sun 6:00 AM to 8:00 PM PT.

<b>Agreement to Arbitrate</b>	
<i>Our Agreement</i>	<p>You and PayPal each agree that any and all disputes or claims that have arisen or may arise between you and PayPal, including without limitation federal and state statutory claims, common law claims, and those based in contract, tort, fraud, misrepresentation or any other legal theory, shall be resolved exclusively through final and binding arbitration or in small claims court. You or PayPal may assert claims in small claims court instead of in arbitration if the claims qualify and so long as the matter remains in small claims court and advances only on an individual (non-class, non-representative) basis. This Agreement to Arbitrate is intended to be broadly interpreted. The Federal Arbitration Act governs the interpretation and enforcement of this Agreement to Arbitrate.</p>
<i>Notice of Disputes and Settlement Discussion</i>	<p>Before bringing any dispute or claim, you or PayPal must first send the other party, by certified mail, a completed <a href="#">Notice of Dispute</a>. You should send this notice to PayPal at: PayPal, Inc., Attn: Legal Specialists, Re: Notice of Dispute, P.O. Box 45950, Omaha, NE 68145-0950. PayPal will send any notice to you to the address we have on file associated with your PayPal account; it is your responsibility to keep your address up to date. To be</p>

	<p>valid, the Notice of Dispute must contain all information called for in the Notice of Dispute form, including but not limited to: your or PayPal's signature, the email address and phone number associated with the customer's PayPal account, a description of the nature and basis of the claims that are being asserted, a statement of the specific relief sought, and any relevant documents and supporting information reasonably available to the claiming party.</p> <p>If you and PayPal are unable to resolve the claims described in the notice within 45 days after the notice is received by you or PayPal, you or PayPal may commence an arbitration proceeding. A form for initiating arbitration proceedings is available on the AAA's website at <a href="http://www.adr.org">www.adr.org</a>. The Notice of Dispute requirements are essential in order to give the parties a meaningful chance to resolve disputes informally.</p>
<p><b><i>Prohibition of Class and Representative Actions and Non-Individualized Relief</i></b></p>	<p>You and PayPal agree that each of us may bring claims against the other only on an individual basis and not as a plaintiff or class member in any purported class or representative action or proceeding. Unless both you and PayPal agree otherwise, the arbitrator may not consolidate or join more than one person's or party's claims and may not otherwise preside over any form of a consolidated, representative or class proceeding. Also, the arbitrator may award relief (including monetary, injunctive and declaratory relief) only in favor of the individual party seeking relief and only to the extent necessary to provide relief necessitated by that party's individual claim(s). Any relief</p>

	<p>awarded cannot affect other PayPal customers.</p>
<p><i>Arbitration Procedures</i></p>	<p>Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator instead of a judge or jury, and court review of an arbitration award is very limited. However, the arbitrator can award the same damages and relief on an individual basis that a court can award to an individual. All issues are for the arbitrator to decide, except that a court of competent jurisdiction shall decide issues relating to arbitrability, the scope or enforceability of this Agreement to Arbitrate, and issues that this Agreement to Arbitrate indicates that a court can resolve.</p> <p>Any arbitration will be administered by the American Arbitration Association (referred to as the "AAA"). For all claims, the Consumer Arbitration Rules in effect at the time the arbitration is commenced, as applicable, and as modified by this Agreement to Arbitrate, shall apply. The AAA's rules are available at <a href="http://www.adr.org">www.adr.org</a>. In the event that the AAA is unavailable or unwilling to administer the arbitration consistent with this Agreement to Arbitrate, another administrator will be selected by the parties or by the court.</p> <p>Any arbitration hearings shall be held in the county in which you reside or at another mutually agreed location. If the value of the relief sought is \$25,000 or less, the arbitration will be conducted based solely on written submissions, unless any party requests an in-person, telephonic, or videoconference hearing or the arbitrator decides that a hearing is necessary. In cases where an in-person</p>



	<p>hearing is held, you and/or PayPal may attend by telephone or videoconference, unless the arbitrator requires otherwise.</p> <p>The arbitrator will decide the substance of all claims in accordance with applicable law, including recognized principles of equity, and will honor all claims of privilege recognized by law. No court or arbitrator shall be bound by rulings in prior arbitrations involving different PayPal customers, but a court or arbitrator will be bound by rulings in prior arbitrations involving the same PayPal customer to the extent required by applicable law. The award of the arbitrator shall be final and binding, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.</p>
<p><i>Costs of Arbitration</i></p>	<p>Payment of all AAA or arbitrator fees will be governed by the AAA's rules, unless otherwise stated in this Agreement to Arbitrate. If the value of the relief sought is \$10,000 or less, at your request, PayPal will pay all AAA or arbitrator fees associated with the arbitration. Any request for payment of fees by PayPal should be submitted by mail to the AAA along with your Demand for Arbitration and PayPal will make arrangements to pay all necessary fees directly to the AAA. If the value of the relief sought is more than \$10,000 and you are able to demonstrate that the costs of accessing arbitration will be prohibitive as compared to the costs of accessing a court for purposes of pursuing litigation on an individual basis, PayPal will pay as much of the AAA or arbitrator fees as the arbitrator deems necessary to prevent the cost of accessing the arbitration from being</p>

	<p>prohibitive. In the event the arbitrator determines that either the substance of your claim or the relief sought was frivolous or brought for an improper purpose, then you or PayPal may seek to recover from you or PayPal any fees it paid, including attorneys' fees, to the extent permitted by the AAA's rules and applicable law.</p>
<p><i>Severability</i></p>	<p>With the exception of any of the provisions in the <a href="#">Prohibition of Class and Representative Actions and Non-Individualized Relief</a> section above, if a court decides that any part of this Agreement to Arbitrate is invalid or unenforceable, the other parts of this Agreement to Arbitrate shall still apply. If a court decides that any of the provisions in the <a href="#">Prohibition of Class and Representative Actions and Non-Individualized Relief</a> section above is invalid or unenforceable because it would prevent the exercise of a non-waivable right to pursue public injunctive relief, then any dispute regarding the entitlement to such relief (and only that relief) must be severed from arbitration and may be litigated in court. All other disputes subject to arbitration under the terms of the Agreement to Arbitrate shall be arbitrated under its terms.</p>
<p><i>Opt-Out Procedure</i></p>	<p>If you are a new PayPal customer, you can choose to reject this Agreement to Arbitrate by mailing us a written opt-out notice. The opt-out notice must be postmarked no later than 30 days after the date you accept this Agreement for the first time. You must mail the opt-out notice to PayPal, Inc., Attn: Litigation Department, 2211 North First Street, San Jose, CA 95131.</p> <p>For your convenience, we are providing an <a href="#">opt-out notice</a> form you must complete and mail to opt out of</p>

	<p>this Agreement to Arbitrate. You must complete this form by providing all the information it calls for, including your name, address, phone number, and the email address(es) used to log in to the PayPal account(s) to which the opt-out applies. You must sign the opt-out notice for it to be effective. This procedure is the only way you can opt out of the Agreement to Arbitrate. If you opt out of this Agreement to Arbitrate, all other parts of this Agreement will continue to apply. Opting out of this Agreement to Arbitrate has no effect on any previous, other, or future arbitration agreements that you may have with us.</p>
<p><b><i>Future Amendments to this Agreement to Arbitrate</i></b></p>	<p>Notwithstanding any provision in this Agreement to the contrary, you and we agree that if we make any amendment to this Agreement to Arbitrate (other than an amendment to any notice address or website link provided herein) in the future, that amendment shall not apply to any claim that was filed in a legal proceeding against PayPal or you prior to the effective date of the amendment. The amendment shall apply to all other disputes or claims governed by this Agreement to Arbitrate that have arisen or may arise between you and PayPal. We will notify you of amendments to this Agreement to Arbitrate by posting the amended terms on <a href="http://www.paypal.com">www.paypal.com</a> at least 30 days before the effective date of the amendments and by providing notice through email. If you do not agree to these amended terms, you may close your PayPal account within the 30-day period and you will not be bound by the amended terms.</p>

## **12. GENERAL TERMS**

**12.1. Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable for any reason, the remaining provisions not so declared shall nevertheless continue in full force and effect, but shall be construed in a manner so as to effectuate the intent of this Agreement as a whole, notwithstanding such stricken provision or provisions.

**12.2. Waiver.** No term or provision of this Agreement shall be deemed waived, and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other party, whether express or implied, shall not constitute a consent to, waiver of, or excuse for any different or subsequent breach.

**12.3. Assignment.** This Agreement will bind and inure to the benefit of each party's permitted successors and assigns. You may not assign this Agreement without the written consent of PayPal. PayPal may assign this Agreement in its sole discretion without your written consent.

**12.4. Amendment.** We may amend this Agreement at any time. You will be provided with notice of amendments through the Platform. If you do not agree to the updated terms, you can terminate your Agreement by ceasing to use the Services we provide.

**12.5. Independent Contractors.** The relationship of PayPal and you is that of independent contractors. Neither you nor any of your employees, consultants, contractors or agents are agents, employees, partners or joint ventures of PayPal, nor do you or they have any authority to bind PayPal by contract or otherwise to any obligation. None of such parties will represent anything to the contrary, either expressly, implicitly, by appearance or otherwise.

**12.6. Contracting Entity.** "PayPal," "we," or "us" in this Agreement means PayPal, Inc., a Delaware corporation in the United States whose address is 2211 North First Street, San Jose, CA 95131.

**12.7. Notices.** Any notices required by this Agreement will be provided to you by the Platform on our behalf. You agree that electronic notices and disclosures have the same meaning and effect as if we had provided you with a paper copy. Any notices to PayPal shall be considered valid only if sent by postal mail to PayPal, Inc., Attn: Legal Department, 2211 North First Street, San Jose, CA 95131.

**12.8. Governing Law.** The laws of the State of Delaware, without regard to principles of conflict of laws, will govern this Agreement and any claim or dispute that has arisen or may arise between the parties, except as otherwise stated in this Agreement.

**12.9. Entire Agreement.** This Agreement sets forth the entire agreement and understanding of the parties hereto in respect to the subject matter contained herein, and

supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, partner, employee or representative of any party hereto. This Agreement shall be binding upon and shall inure only to the benefit of the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer or shall be deemed to confer upon any persons or entities not parties to this Agreement, any rights or remedies under or by reason of this Agreement.

### **13. Definitions**

“**Acquiring Bank(s)**” means each of the financial institutions PayPal partners with to process your Card payments and with whom you entered into a Commercial Entity Agreement.

“**Card Network(s)**” means a company or group of financial institutions that promulgate rules to govern Card transactions via bankcard and payment networks including, but not limited to, MasterCard, Visa, Discover, American Express, as well as US debit networks, including Star, Nyce, Pulse, and Accel.

“**Card Network Rules**” means the rules and regulations governing acceptance of Cards. Rules are available for [Visa](#), [MasterCard](#), [American Express](#), [Discover](#), and for Star, Nyce, Pulse, and Accel upon request, each as updated from time to time.

“**Card Data**” means a cardholder’s account number, expiration date, and CVV2.

“**Card(s)**” means payment cards branded with the logos of (i) Visa, MasterCard, American Express, Discover; and (ii) US debit networks, including Star, Nyce, Pulse, and Accel