Gift Certificate Merchant Policy

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Description: Merchant Gift Certificates is a product that allows merchants to offer Gift Certificates for sale through the merchant's web site or store. Purchasers may purchase a Gift Certificate for a designated recipient, who may then redeem that Gift Certificate on purchases made with that merchant. The purchaser must define the recipient at the time of purchase for Gift Certificates delivered by email. Once purchased, Gift Certificates delivered by email may not be transferred to a different recipient.

Please note that this policy does not cover eBay Gift Certificates which are offered for sale by eBay.

General Restrictions for Merchants who Offer Gift Certificates for Sale:

1. **Limited access by Merchant to Gift Certificate balances.** Proceeds from the sale of Gift Certificates are stored in a merchant's reserve balance. When a Gift Certificate is redeemed, funds are moved from the merchant's reserve balance to the merchant's available balance. If a gift certificate is not redeemed within the initial 18 month period, the remaining balance on the gift certificate is released from the reserve balance.

2. **Treatment of Gift Certificates after initial 18-month period.** If a gift certificate retains a balance for 18 months, the amount of the remaining balance will be released from the reserve and placed in the merchant's available balance. However, since gift certificates do not expire, a gift certificate recipient will still be able to redeem these gift certificates. In these types of redemptions, the gift certificate will act as a discount against the recipient's purchase total, but the seller will not receive the remaining balance from the gift certificate. For example, if a recipient uses a $10,00 USD Gift Certificate that is more than 18 months old on a $15,00 USD purchase, the merchant will receive only $5,00 USD (less fees), since the merchant will have already received the $10,00 USD in proceeds, less PayPal fees, from the recipient's gift certificate when the gift certificate had aged 18 months.

3. **Fees.** PayPal does not charge fees when a gift certificate is purchased; however, PayPal charges standard transaction processing fees to the merchant upon redemption. If a gift certificate is not redeemed within the initial 18 month period, the remaining balance on the gift certificate is released from the reserve balance. Standard transaction processing fees are charged to the merchant if and when funds are moved from the reserve to the merchant's available balance.

4. **Account required.** Recipients are required to create a PayPal account in order to redeem their Gift Certificates.

Customer Service:

Merchants who sell Gift Certificates are expected to provide support for the purchasers and recipients of those Gift Certificates. PayPal gives Merchants the ability to refund and cancel Gift Certificates within the first 60 days of purchase.

Policy Acceptance: By selling or making available for sale Merchant Gift Certificates, the merchant agrees to the terms of this policy.