Overview

PayPal is extending its Seller Protection to include eligible payments for intangible items such as travel, event tickets and services (except for digital goods). This means that Seller Protection now applies to sellers of these products against fraudulent claims and chargebacks. Seller Protection is already available for eligible tangible (physical) items.

This FAQ will help you understand how Seller Protection covers you as a merchant of intangible goods.

Q1: What is Seller Protection?
Seller Protection is protection we provide to merchants against transactions that may go wrong because of unauthorized issues or for items not received.

For example for eligible items, if the seller has fulfilled their orders and meets the conditions of PayPal Seller Protection, we will not hold them liable for a fraudulent transaction.

Q2: How are we changing Seller Protection to cover intangible items?
PayPal already provides seller protection for eligible physical goods shipped by merchants to their customer. With these changes, we are extending seller protection to select segments in the intangibles industry (excluding digital goods) that will protect merchants for unauthorized transactions in Thailand, Indonesia, Philippines, Vietnam, Malaysia and Singapore.

Q3: What is considered an intangible item?
An intangible item is anything that is not shipped. It will include items such as travel tickets, tickets for an event, cab rides, digitally downloaded goods (such as songs or books) as well as services. However, please note that digital goods are not eligible under our Seller Protection Policy.

Q4: From when is this extension effective?
The expanded Seller Protection will be effective on 1 September, 2015.

Q5: Who will benefit from the changes?
The extended protection applies to all sellers in the Thailand, Indonesia, Philippines, Vietnam, Malaysia and Singapore in the intangible segment excluding email payment, guest transactions and merchants in digital goods vertical. The intangible transaction must be marked by PayPal as eligible for PayPal Seller Protection on your Account “Transaction Details” page.
Q6: What items will not be covered?
Most goods and services paid for in a single payment via a PayPal account are eligible for seller protection, except for the items listed below:

- Vehicles (including motor vehicles, motorcycles, caravans, aircraft, and boats)
- Digital Goods
- Guest transactions
- Email Payments
- Claims or Chargebacks for items Significantly Not As Described
- Claims or Chargebacks for Item Not Received for intangible or virtual items or services.
- Items delivered in person
- Items that are sent after PayPal has advised you to release the item
- Items not shipped to the recipient address in the “Transaction Details” page.

For full eligibility requirements, see the User Agreement.

Q7: If someone discovers a problem after 1 September 2015 regarding an intangible purchase made before that date, can they make a claim?
No. The policy comes into effect on 1 September 2015, and only protects transactions made on or after 1 September 2015.

Q8: What specific issue types are eligible?
- Unauthorized Chargebacks or ACH returns
- Unauthorized Claims
- Unauthorized Fraud Reversals

Q9: What do I need to do to become eligible for Seller Protection?
Merchants in Thailand, Indonesia, Philippines, Vietnam, Malaysia and Singapore are not required to do anything to be protected under the expanded policy. To be eligible for seller protection, transactions must be marked by PayPal as eligible for PayPal Seller Protection on the merchant’s account “Transaction Details” page. The merchant will have to respond to all unauthorized cases and provide compelling evidence (see below) that the seller fulfilled the goods or services. The Seller must respond within the timeframes provided to be eligible for protection. Also, the seller’s eligibility for PayPal Seller Protection must not be suspended.

Q10: How do I communicate that an order was fulfilled?
Sellers are required to submit evidence to show that the purchase order was fulfilled in the PayPal Resolution Center. For example an online ticket issued or booking confirmation sent. The evidence should be uploaded under “Other Evidence”.
