Notice of Amendment to the PayPal User Agreement

Effective Date (and issued on): Apr 27, 2017

Please read this document.

We’re making changes to the PayPal User Agreement, the contract that governs your relationship with PayPal.

You do not need to do anything to accept the changes as they automatically come into effect on the Effective Date.

1. PayPal seller protection

Section 11 is amended in order to extend the coverage of the Seller Protection programme as follows:

a. for sellers resident in the Czech Republic, Greece, Hungary, Ireland and Slovakia we are extending the existing Seller Protection programme (currently covering all eligible tangible items) to also cover sales of all eligible intangible items (excluding digital goods and licences for digital content) and services; and

b. for sellers resident in Bulgaria, Cyprus, Estonia, Latvia, Liechtenstein, Lithuania, Malta, Romania, San Marino and Slovenia we are extending the existing Seller Protection programme (currently covering eligible tangible items sold via eBay) to sales of all eligible tangible items, intangible items (excluding digital goods and licences for digital content) and services.

The amendments clarify but do not change the current coverage of the Seller Protection programme for UK resident sellers.

Accordingly, section 11 now reads as follows (with added wording underlined):
11. Seller Protection Programme

11.1 What is PayPal seller protection?

If you are the recipient of a payment made by a customer ("Payment Recipient"), we may reimburse you an amount for Claims, Chargebacks, or Reversals made against you based on the following reasons:

a. A Chargeback or Reversal was issued against you for the reason of an “Unauthorised Payment” (except for any “Unauthorised Payment” initiated in an environment not hosted by PayPal); or

b. A Chargeback or Claim was issued against you for the reason of “Not Received”,

where PayPal receives from you proof that the item was posted or delivered in accordance with the requirements set forth below, subject to the further provisions of this section 11 (including, without limitation, the Eligibility Requirements at section 11.6).

Please read section 13 (PayPal Buyer Protection) to understand how a Claim against you may arise. If you sell or market to buyers in other countries, you should read the PayPal Buyer Protection policies of the countries in which your target buyers are based (the relevant PayPal Buyer Protection policies are available here and are also accessible via the “Legal” or “Legal Agreements” footer on most PayPal site pages) as these policies will apply to you as a Payment Recipient or seller.

Please also read section 5.3 (Risk of Reversals, Chargebacks and Claims) to understand the risk of Reversals, Chargebacks and Claims arising when you receive a payment.

11.2 Availability of PayPal seller protection

PayPal seller protection is available to Payment Recipients with registered PayPal Account(s) in the Relevant Countries who receive PayPal payments from buyers making an eligible purchase (worldwide and everywhere PayPal is accepted).

PayPal seller protection does not apply to Claims, Chargebacks and/or Reversals for the reason that the purchase was Significantly Not as Described (SNAD) nor for items that you deliver or are picked up in person.

11.3 How much protection is provided by PayPal seller protection?

Subject to section 10.2j and this section 11:

a. PayPal will pay you the full amount of an eligible payment the subject of the Claim, Chargeback, or Reversal and waive the Chargeback Fee, if applicable; and

b. There is no limit on the number of payments for which you can receive re-imbursement under PayPal Seller Protection.

11.4 What happens when a buyer files a Claim, Chargeback, or Reversal?
PayPal will place a temporary hold on the funds in your Account to cover the full amount of the Claim, Chargeback, or Reversal. See section 10.1.d for further details about the temporary hold process.

11.5 If the payment is not covered by PayPal seller protection, PayPal will remove the funds from your Account and return the payment to the buyer. In addition, you will be responsible for PayPal's Chargeback Fee, if applicable.

11.6 Eligibility Requirements

What are the eligibility requirements for PayPal seller protection?

You must meet all of these requirements to be covered:

a. The transaction is not ineligible under section 11.10.

b. The transaction must be marked by PayPal as eligible or partially eligible for PayPal seller protection on your Account “Transaction Details” page. If it is marked eligible, protection for both Unauthorised Payments and Item Not Received will apply. If it is marked partially eligible, protection for only Item Not Received will apply.

c. For tangible items, post the item to the shipping address on the “Transaction Details” page. If the item is delivered in person or if the Payment Recipient posts the item to a different address (for example, if the buyer asks that you send to another address on the basis that it is a “work address” or a “gift” address) then you will not be eligible for re-imbursement under the terms of the programme.

You may access the “Transactions Details” page by logging into your PayPal Account, selecting “History” and then selecting “Details” for the transaction.

d. You must follow the delivery requirements described below.

e. You must accept a single payment from one PayPal Account for the purchase.

f. You must respond to PayPal’s requests for documentation and other information that is reasonably required by PayPal to investigate the matter in a timely manner.

g. Your primary residence, as listed in your PayPal Account, must be in a Relevant Country.

h. Your eligibility is not otherwise suspended.

Eligibility requirements c. and d. above do not apply to any item for which you receive payment through the PayPal Location Based Payments Functionality, provided that you provide to PayPal proof (to PayPal’s reasonable satisfaction) that the item was collected by or delivered to the buyer.

11.7 What are the delivery requirements?
### Protection for Unauthorised Payment

<table>
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<th>Postage requirements</th>
<th>Protection for Item Not Received</th>
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<td>For services and intangible items (in countries where such transactions are eligible for PayPal seller protection): Proof of Delivery</td>
<td>Proof of Delivery</td>
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<tr>
<td>For all other transactions: Proof of Postage (minimum) or Proof of Delivery</td>
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#### 11.8 What is “Proof of Postage”?

Online or physical documentation from a postal company that includes all of the following:

a. A status of “shipped” (or equivalent) and the date of postage

b. The recipient’s address, showing at least the city/county or postcode (or international equivalent).

c. Official acceptance from the shipping company (for example, a postmark, a receipt, or online tracking information). Or, if you have Proof of Delivery then you do not need Proof of Postage.

#### 11.9 What is “Proof of Delivery”?

Proof of Delivery for tangible items means online documentation from a postal company that includes all of the following:

a. A status of “delivered” (or equivalent) and the date of delivery.

b. The recipient’s address, showing at least the city/county or postcode (or international equivalent).

*Proof of Delivery for intangible items and services means any compelling evidence (as determined by PayPal) to show the sale was fulfilled, including but not limited to the following information:*

a. The date the item or service was provided.

b. The recipient’s address (for instance, email/IP) where applicable.

#### 11.10 What are examples of items/transactions/cases that are not eligible for PayPal seller protection?

a. For:

1. *Payment Recipients with their registered address outside the UK: digital goods and licences for digital content.*

2. *Payment Recipients with their registered address in the UK: intangible items (including digital goods and licences for digital content) and services.*
Where PayPal in its own discretion may make certain intangible items (including digital goods and licences for digital content) and/or services eligible from time to time, unless otherwise agreed in writing with PayPal, the following will always remain ineligible:

1. Items equivalent to cash (including, without limitation, stored value items such as gift cards and pre-paid cards).

2. Payments made in respect of financial products and investments.

3. Donations.

b. Items that you deliver (or are picked up) in person (except for items for which you received payment through the PayPal Location Based Payments Functionality).

c. Transactions made through Zong, Website Payment Pro (PayPal Direct Payment and Virtual Terminal).

d. Claims, Chargebacks and Reversals for Significantly Not as Described and/ or claims filed directly with eBay.

e. PayPal Business Payments.

f. Payments made in respect of gold (whether in physical form or in exchange-traded form).

g. PayPal Mass Payment transactions.”

2. Other changes

Sections of the PayPal User Agreement have been amended to make minor typographical changes with reference to the changes outlined in paragraph 1 above.