

PAYPAL USER AGREEMENT

Last updated on September 1, 2026

About Your Account

Welcome to PayPal!

This user agreement is a contract between you and PayPal, Inc. governing your use of your PayPal account and the PayPal services. It applies to U.S. PayPal accounts only. If you are an individual, you must be a resident of the United States or one of its territories and at least 18 years old, or the age of majority in your state of residence to open a U.S. PayPal account and use the PayPal services. If you are a business, the business must be organized in, operating in, or a resident of, the United States or one of its territories to open a U.S. PayPal account and use the PayPal services.

By opening and using a PayPal account, you agree to comply with all of the terms and conditions of this user agreement, including the [Fee pages](#), and any upcoming changes described on the [Policy Updates](#) page at the time you accept this user agreement (which changes will apply to you on the indicated effective dates). These terms include an [agreement to resolve disputes by arbitration](#) on an individual basis. You also agree to comply with each of the other terms or agreements on the [Legal Agreements](#) page that apply to you and the following additional policies:

- [Acceptable Use Policy](#)
- [Electronic Communications Delivery Policy \(E-Sign Disclosure and Consent\)](#)

Please read carefully all of the terms and conditions of this user agreement, the terms of the above policies, and each of the other terms and agreements that apply to you.

We may revise this agreement and any of the other terms, agreements, or policies from time to time. The revised version will be effective at the time we post it, unless otherwise noted. If our changes reduce your rights or increase your responsibilities, we will provide notice of such changes.

- For personal accounts, notice will include posting information about the changes on our [Policy Updates](#) page. If you accepted this user agreement prior to us posting notice of the changes on our [Policy Updates](#) page, then such notice will be provided at least 21 days before the applicable effective date.
- For business accounts, notice will include posting information about the changes on our [Policy Updates](#) page or providing information about the changes by other written means (which may include email). If you accepted this user agreement prior to us providing notice of the changes on the Policy Updates page or by other written means, then such notice will be provided at least 5 days before the applicable effective date.

By continuing to use our services after any changes to this user agreement or any of the other applicable terms, agreements, or policies, you agree to abide and be bound by those changes. If you do not agree with any changes to this user agreement, you may close your account.

Opening a PayPal Account

We offer two types of PayPal accounts: PayPal personal accounts (or "personal accounts") and PayPal business accounts (or "business accounts"), both covered by this user agreement.

All PayPal accounts let you do things like:

- **Send** and receive money.
- **Buy** things online, using mobile devices or in stores.
- Make payments using your credit card, debit card, bank account, or other payment options, including funds held as balance in a business account (if we have verified the **required identifying information** you provide to us) or funds held in a PayPal Balance account linked to a personal account if you choose to open a PayPal Balance account. The terms "PayPal Balance account" or "Balance Account" in this user agreement are used to refer to a PayPal Balance account and shall include any account currently or previously known as a PayPal Cash or a PayPal Cash Plus account, as applicable. More information about Balance Accounts can be found in the **PayPal Balance Terms and Conditions**.
- Accept credit card, debit card, bank account, Balance Account, and other payment methods from others.

You are responsible for maintaining adequate security and control of any and all IDs, passwords, personal identification numbers, or any other codes that you use to access your PayPal account and the PayPal services. You must keep your mailing address, email address and other contact information current in your PayPal account profile.

Personal accounts

If you are establishing your PayPal account primarily for personal, family, or household purposes, you are required to open a personal account. With a personal account, you can do things like:

- **Send** personal transactions to and request personal transactions from friends and family.
- **Buy** goods and services.
- **Receive and hold money** in a linked Balance Account or transfer it to a linked bank account or debit card if you do not open a Balance Account.

Personal accounts may be subject to fees that differ from the fees applicable to business accounts. Certain features associated with business accounts may not be available for personal accounts. If the activity associated with your personal account primarily involves business or commercial activity, PayPal may close your account unless you agree to cease the business or commercial activity or convert your personal account to a business account.

Business accounts

If you are establishing your PayPal account primarily for business or commercial activity, you are required to open a business account. This is true even if your business is not incorporated. With a business account, you can do things like:

- Sell goods or services or receive donations.
- Use a company or business name as the name on your business account.
- Allow employees access to some of the features of your business account.
- Use PayPal business products that meet your business needs.

Business accounts may be subject to fees that differ from the fees applicable to personal accounts. Business accounts are not eligible to receive "**personal transactions**", although they may send personal transactions to friends and family with an eligible PayPal account. You may not establish a PayPal business account primarily for personal, family, or household purposes. If the activity associated with your business account demonstrates that the account was established primarily for personal, family, or household activity, PayPal may close your account unless you agree to cease the personal, family, or household activity or convert your business account to a personal account.

Eligible business accounts may have the option to use certain payment solutions features, which are provided by PayPal subject to the additional terms and conditions found under the **Business Account Payment Solutions Agreements** section of our **Legal Agreements** page (collectively the "Business Account Payment Solutions"). You will be deemed to have accepted such additional terms and conditions in the event, and at the time, either of the following occurs, whichever is first:

You accept (or have previously accepted) this user agreement and you start using a Business Account Payment Solution.

Such additional terms and conditions are surfaced to you by PayPal through other means, and you accept such terms and conditions through such other means.

We may revise (or terminate) such additional terms and conditions for the Business Account Payment Solutions from time to time pursuant to their terms and the terms of this user agreement.

If you, or any other person associated with your account, use SAML SSO (Security Assertion Markup Language Single Sign-On) to allow access to your accounts with PayPal, you attest that you are compliant with applicable state and Federal Multi-Factor Authentication ("MFA") regulations (e.g., NY DFS Part 500 and 16 CFR Part 314: Standards For Safeguarding Customer Information). You will provide information to demonstrate compliance with this requirement as reasonably requested by PayPal.

By opening a business account or converting a personal account to a business account, you agree that you are not establishing the account primarily for personal, family, or household purposes. You further agree that each payment method you link to your business account (see [Link or Unlink a Payment Method](#)) is a payment method used primarily for business or commercial purposes and was not established for personal, family, or household purposes. You also consent to PayPal obtaining your personal and/or business credit report from a credit reporting agency at account opening and whenever we reasonably believe there may be an increased level of risk associated with your business account.

Closing Your PayPal Account

You may close your PayPal account and terminate your relationship with us at any time without cost, but you will remain liable for all obligations related to your PayPal account even after the PayPal account is closed. When you close your PayPal account, we will cancel any scheduled or incomplete transactions. If you have a Balance Account linked to a personal account, you must **withdraw** or transfer any funds held in your Balance Account before closing your personal account, and closing a personal account will result in PayPal automatically closing any linked Balance Account. If you have a business account, you must **withdraw** or transfer any balance from your business account before closing it, and if you have not provided the **required identifying information** to us, or if we are unable to verify the **required identifying information** you provide, you must transfer any balance in your business account to a linked bank account or debit card. You cannot withdraw or transfer digital gift certificates/cards that are purchased through **PayPal Digital Gifts** and linked to your personal or business account as payment methods. However, even without your PayPal account, you can still use the codes you received by email when you purchased the gift certificates/cards to make purchases.

In certain cases, you may not close your PayPal account, including:

- To evade an investigation.
- If you have a pending transaction or an open dispute or claim.
- If your PayPal account has a negative balance.
- If your PayPal account is subject to a hold, limitation or reserve.

Link or Unlink a Payment Method

You can link or unlink certain payment methods such as a credit card, debit card, a U.S. bank account or PayPal Credit to your PayPal account. If you open a Balance Account, it will be linked to your personal account as a payment method, and you can unlink the Balance Account by withdrawing all funds and closing it. If you have a Balance Account and have also opened a PayPal Debit Mastercard® account (PayPal Debit Card), your PayPal Debit Card, which allows you to access the balance in your PayPal Balance Account, will be reflected as the Payment Method in PayPal checkout and as the funding source for the Send Money feature on your PayPal account.

Before linking a bank account, you should review and understand the consumer protection rights and remedies available for different payment sources under the Electronic Fund Transfer Act (EFTA) and Fair Credit Billing Act (FCBA). Please also refer to **Authorization to Charge Your Payment Method** for additional terms regarding our authority to charge your linked payment methods and your right to revoke our authority to charge such payment methods.

Please keep your payment method information current (e.g., credit card number and expiration date). If this information changes, we may update it using information and third-party sources available to us without any action on your part. If you do not want us to update your payment method information, you may unlink that payment method by removing it from your PayPal account. If we update your payment method, we will keep any preference setting attached to such payment

method. You may need to confirm your payment method, so we can verify that it is valid and belongs to you. To do this, you authorize us to make credits and debits to your payment method as follows:

- If your payment method is a card that we require you to confirm, we will verify it by charging \$1.95 U.S. dollars to the card and promptly refunding this amount after we have confirmed it.
- If your payment method is a bank account that you manually link to your PayPal account by adding your bank routing and account numbers (instead of verifying using a real-time account verification service, if available to you), we will make two small deposits to your provided bank account of less than \$1.00 U.S. dollar each that you will need to confirm with us, along with one corresponding single debit from your bank account totaling the amount of the two small deposits.

Authorization to Charge Your Payment Method

General authorization to charge your payment method

By linking a payment method to your PayPal account, as described in the section [Link or Unlink a Payment Method](#), you authorize PayPal to charge such linked payment method (a) whenever you choose such linked payment method to add funds to your PayPal Balance account or PayPal business account balance, send money using PayPal, or purchase something using PayPal, (b) in connection with any errors, claims, or disputes, and (c) for amounts you owe to PayPal.

Authorization of specific transactions

Each time you add funds to your PayPal Balance account or PayPal business account balance, you authorize PayPal to charge the selected payment method for the amount you are adding through one-time or automatic transfers.

Each time you send money using the Send Money feature in your PayPal account, you authorize PayPal to charge the selected payment method for the amount you are sending and any applicable fees.

Each time you use PayPal to purchase something from a seller or make a donation, you authorize PayPal to charge your selected or backup payment method for the amount specified during the checkout process and any applicable fees. If the amount of your transaction changes after checkout, you authorize PayPal to charge the selected or backup payment method for the revised amount (for example, if the amount increases because you add another product or service (e.g., expedited delivery), the amount decreases, or the amount is split because a portion of your order is canceled or delayed).

If you have entered into an automatic payment agreement with a seller, you authorize PayPal to charge your preferred or selected payment method for the available amount each time you make a purchase from the seller, including via recurring payments or any other future transactions scheduled in advance. If that payment method cannot be charged for the full amount of your automatic payment transaction, for example due to insufficient funds, you then authorize PayPal to charge the remaining amount due to complete that transaction to your relevant backup payment method linked to your PayPal account.

Revoking your authorization

You can revoke our authority to charge a payment method by unlinking that payment method from your PayPal account as described in the section [Link or Unlink a Payment Method](#). Such revocation only applies to transactions that are initiated, by you or by a seller, after you unlink the payment method. It does not affect our authority to charge the payment method for a transaction you have already authorized, including our authority to re-present a charge to the unlinked payment method or charge the unlinked payment method as a backup payment method if the original transaction occurred before you unlinked that payment method. Unlinking a payment method also does not revoke our authority to charge or credit the payment method in connection with an error, dispute, or claim with respect to a transaction initiated before you unlinked that payment method. If there is a pending transaction with a seller where you have authorized the transaction, but the seller has not yet completed the transaction, you may not be able to unlink the payment method used until the transaction is completed.

Receiving Funds, Holding a Balance, or Transferring Funds

Unless otherwise expressly stated, all references to "funds" in this user agreement mean money denominated in sovereign currency and not cryptocurrency or any other form of asset.

Personal accounts

Money sent to your personal account cannot be held as a balance in your personal account. When you receive money to your personal account, you can:

- transfer the money via a standard transfer to an eligible debit card or your bank account linked to your personal account for free;
- transfer the money via an Instant Transfer to an eligible debit card or bank account linked to your personal account, subject to the fees applicable to such transfers that can be found on the [Fees for Transferring Funds \(for personal accounts\)](#) table and that will be disclosed to you in advance each time you initiate such a withdrawal;
- request PayPal to send the money to you by check (subject to a non-refundable fee of \$1.50 U.S. dollars for PayPal personal accounts without a linked Balance Account, which will be deducted from the amount of the transfer). If you request a paper check from us, you must cash it within 180 days of the date of issuance, or we will return the funds to your linked Balance Account if you have one or hold the funds on your behalf and retain the non-refundable fee of \$1.50 U.S. dollars, if applied. We will not send a check to a post office box, and we will only send a check to an address once we have confirmed that it belongs to you;
- open a Balance Account to hold and use the money as a balance in your Balance Account for purchases or to send personal transactions to friends and family members. A Balance Account is separate account from your personal account. If you open a Balance Account, we will automatically link your Balance Account to your personal account. If you have a Balance Account and have also opened a PayPal Debit Card, your PayPal Debit Card, which allows you to access the balance in your PayPal Balance Account, will be reflected as the Payment Method in PayPal checkout and as the funding source for the Send Money feature on your PayPal account. More information about Balance Accounts can be found in the [PayPal Balance Terms and Conditions](#).

You also cannot transfer money to your personal account to be held as a balance in your personal account. You will need to open a Balance Account to hold the money as a balance in your Balance Account, which can be used for purchases or to send personal transactions to friends and family members. More information about Balance Accounts can be found in the [PayPal Balance Terms and Conditions](#).

Except when PayPal acts as your agent and custodian to place funds in one or more banks insured by the Federal Deposit Insurance Corporation (FDIC) that we choose in our discretion ("**Program Banks**"), as provided below, any balance in your Balance Account and any funds sent to you which have not yet been transferred to a linked bank account or linked debit card if you do not have a Balance Account, represent unsecured claims against PayPal that are not eligible for FDIC pass-through insurance.

If your Balance Account is not eligible for FDIC pass-through insurance, PayPal combines your PayPal funds with the PayPal funds not eligible for pass-through FDIC insurance of other PayPal users and invests those funds in liquid investments in accordance with state money transmitter laws. PayPal owns the interest or other earnings on these investments. However, the claim against PayPal represented by funds held in your Balance Account is not secured by these investments and you do not have any ownership interest (either legal or beneficial) in these investments. These pooled amounts are held apart from PayPal's corporate funds, and PayPal will neither use these funds for its operating expenses or any other corporate purposes nor will it voluntarily make these funds available to its creditors in the event of bankruptcy. You will not receive any interest or other return on the funds held with PayPal.

If you have opened a PayPal Debit Card Mastercard® account, enrolled in Direct Deposit, or bought or received cryptocurrency with your personal PayPal branded cryptocurrency account ("Crypto Account"), we will place your U.S. dollar PayPal Balance funds in one or more **Program Banks**, where they will, subject to certain conditions, be eligible for pass-through FDIC insurance, up to applicable limits. Additionally, if you have bought or received cryptocurrency with a Crypto Account linked to your PayPal business account, we will place your U.S. dollar business account funds at one or more Program Banks. FDIC insurance protects against the failure of the **Program Banks**, not the failure of PayPal. PayPal is not a bank, does not take deposits and is not FDIC insured. Any other balance funds and all cryptocurrencies are not held in FDIC-insured bank deposits. Cryptocurrencies may lose value. See [PayPal Balance Terms and Conditions](#).

Cryptocurrency services and accounts are provided by PayPal Digital, Inc. More information can be found in the [Cryptocurrency Terms and Conditions](#).

PayPal Savings

You may also link PayPal Savings to your PayPal personal account. PayPal Savings is a deposit account provided by Synchrony Bank in which you can deposit funds and subsequently access those funds by transferring them back to your eligible Balance Account. A PayPal Balance Account is required to set up and utilize PayPal Savings.

PayPal Savings does not act as a payment method to fund transactions with merchants for goods and

services or to send or receive personal transactions from friends and family.

All deposits to and withdrawals from PayPal Savings are made via transfer to your PayPal balance. When you link PayPal Savings to your PayPal account, you authorize PayPal and Synchrony Bank to transfer funds between your eligible Balance Account and PayPal Savings in accordance with your instructions. More information about sending and receiving funds from PayPal Savings can be found in the [PayPal Balance Terms and Conditions](#).

Business accounts

Money sent to a business account can be held directly as balance in the business account. The balance functionality in your business account will differ depending on whether we have been able to verify the [required identifying information](#) that you provide to us.

The required identifying information is:

- for sole proprietorships: name, physical address, date of birth and taxpayer identification number; or
- for other types of business legal entities: business name, business address and taxpayer identification number.

If we have not verified the [required identifying information](#), a balance in your business account can only be held in your business account and transferred to a linked bank account or debit card or you can request PayPal to send you the money by check (subject to a non-refundable fee of \$1.50 U.S. dollars for PayPal business accounts, which will be deducted from the amount of the withdrawal). Your balance may also be used to fund payments or money owed to PayPal, such as payments on your PayPal Working Capital account or monies owed for [refunds or chargebacks](#).

If we have verified the [required identifying information](#), a balance can be held in your business account, transferred to a linked bank account or debit card, used to make purchases or send money to others.

If you have a business account and we have verified the [required identifying information](#) that you have provided to us, you may transfer money to the balance of your business account from an eligible bank account or debit card linked to your business account. In addition to one-time electronic transfers, you may set up automatic transfers that add funds to the balance of your business account from an eligible bank account or debit card linked to your business account on a set schedule (such as daily or weekly) or whenever the balance in your business account falls below an amount you specify. There are daily, weekly, and monthly limits on the amounts you can transfer to your business account.

We may allow you to add funds to your business account at participating retail stores throughout the U.S. using the Add Cash at Store feature. There are transactional and daily and monthly limits on the amounts you can add and daily, weekly, and monthly limits on the number of times you can add money. Please refer to the "Business" tab of the [What is PayPal Add Cash at Stores and how do I use it? PayPal Help Center page](#) for more information. We may also allow you to add funds to your

business account using the Cash a Check feature. Cash a Check is not available if you have a negative balance in your business account and may not be available in all locations. Please refer to the "Business" tab of the [What is the Cash a Check service in the PayPal app? PayPal Help Center page](#) for more information and details on availability and other restrictions. Fees for Add Cash at Store and Cash a Check transactions can be found in the [Fee pages](#).

If we have not verified the [required identifying information](#) that you have provided to us, you cannot add funds to your balance in a business account.

When you open a business account, we may also assign you a The Bancorp Bank, N.A. ("The Bancorp") issued account number and routing number that you can use to receive funds into your business account for business or commercial purposes. You can also use your business account as a payment method for the purchase of business or commercial-related goods and services through a transaction that you initiate using your assigned account number and routing number via a third-party merchant's website or mobile application. Otherwise, you can separately request The Bancorp-issued account number and routing number.

Funds transferred into your business account using your assigned account number and routing number generally will be available on the day the funds are applied to your account. Because we may not receive funds instantly, there may be some delay between the payment being initiated by the payer and the payment arriving at PayPal.

You can withdraw balance from your business account by:

- transferring it via a standard transfer to an eligible debit card or a bank account linked to your business account for free,
- transferring it via an Instant Transfer to an eligible debit card or bank account linked to your business account, subject to the fees applicable to such transfers that can be found on the [Fees for Transferring Balance \(for business accounts\)](#) table and that will be disclosed to you in advance each time you initiate such a withdrawal,
- conducting a cash withdrawal transaction if you have a PayPal Debit Card via (i) a bank teller at a participating bank branch or other financial institution, or (ii) an ATM (automated teller machine) (fees may apply), or
- requesting a check from us (subject to a non-refundable fee of \$1.50 U.S. dollars for PayPal business accounts, which will be deducted from the amount of the withdrawal). If you request a paper check from us, you must cash it within 180 days of the date of issuance, or we will return the funds to your balance in your business account and retain the non-refundable fee of \$1.50 U.S. dollars. We will not send a check to a post office box, and we will only send a check to an address once we have confirmed that it belongs to you.

If you use your assigned account number and routing number for your business account as a payment method for goods and services, your business account may be debited on a one-time or recurring basis as you instruct. There are daily limits on the amount and number of transactions that you can initiate, and limits on the amount you can transfer per transaction. For more information, see the [Help Center](#). These transactions may require you to provide various consents and agree to the terms

and conditions presented by the merchant. Management of any scheduled payments, including cancellation, can be done through the merchant's website or mobile application. For transactions using your assigned account number and routing number, unauthorized transfers or debits in excess of the amount you authorized are subject to notification timeframes set forth in the **Returning Unauthorized or Excess Business Account Debits** section of **Liability for Unauthorized Transactions and Other Errors**.

Any funds you hold in your business account represent unsecured claims against PayPal. PayPal is not a bank, does not take deposits and is not FDIC insured. If you have bought or received cryptocurrency with a Crypto Account linked to your PayPal business account, we will place your U.S. dollar business account funds at one or more Program Banks. You will not receive any interest or other return on the funds held with PayPal. PayPal combines your PayPal funds with the PayPal funds of other PayPal users and invests those funds in liquid investments in accordance with state money transmitter laws. PayPal owns the interest or other earnings on these investments. However, the claim against PayPal represented by your PayPal funds is not secured by these investments and you do not have any ownership interest (either legal or beneficial) in these investments. These pooled amounts are held apart from PayPal's corporate funds, and PayPal will neither use these funds for its operating expenses or any other corporate purposes nor will it voluntarily make these funds available to its creditors in the event of bankruptcy.

Restrictions on transfers or withdrawals from PayPal accounts

To protect us and our users from loss, we may delay a withdrawal, in certain situations, including if we need to confirm that you have authorized the withdrawal or if other payments to your PayPal account have been subject to a reversal (for example, as a result of a **chargeback**, bank reversal, or **dispute by a buyer**). If we place a **limitation** on your PayPal account, a payment is subject to a hold, or your account or an associated account has a negative balance in any currency while a withdrawal from your PayPal account is pending, you will have to reinitiate the withdrawal once the limitation or hold has been lifted, or negative balance is fully paid off.

We may set limits on your withdrawals. Completing two out of three of the following steps can help us verify your PayPal account, which may allow us to increase your withdrawal limit:

- Verifying your bank account.
- Linking and confirming your credit or debit card information.
- Providing your social security number.

Managing Your Money in Multiple Currencies

Holding currency other than U.S. dollars

Your balance in your business account or in your Balance Account, if you have one, may be held in currencies other than U.S. dollars.

If you hold a balance in your business account or in your Balance Account:

- We may allow you to convert the funds to balance in another currency. If you convert funds in your account, PayPal's transaction exchange rate (including our **currency conversion spread**) will be used. We may, at our discretion, impose limits on the amount of money you can convert or the number of conversions you can perform.
- You may only withdraw the funds in U.S. dollars. In order to withdraw funds in your account held in another currency you will have to convert the currency to U.S. dollars, or it will be converted for you at the time of your withdrawal. PayPal's currency conversion rate, including our **currency conversion spread**, will be used.

To receive money in a currency your account is not currently configured to accept, it may be necessary to create a balance in your business account or in your Balance Account, in that currency or convert the money into another currency. Certain currencies can only be received by converting the money into another currency that PayPal allows you to hold. If the money is converted, PayPal's transaction exchange rate (including our **currency conversion spread**) will be used.

You are responsible for all risks associated with maintaining multiple currencies in a Balance Account or business account. You may not manage or convert multiple currencies for speculative trading purposes, conversion arbitrage, conversion options, or any other activity that PayPal determines is primarily for the purpose of gaining or making money based on currency conversion rates. PayPal may hold, cancel, or reverse any transaction we determine to violate this policy.

How we convert currency

If PayPal converts currency, it will be completed at the transaction exchange rate we set for the relevant currency exchange. The transaction exchange rate is adjusted regularly and includes a **currency conversion spread** applied and retained by us on a base exchange rate to form the rate applicable to your conversion.

If we cannot communicate with you at the time you authorize an in-person payment (for example, because you or the seller do not have connectivity at the time you authorized the transaction), and we perform a currency conversion for that payment, we will use the transaction exchange rate in effect at the time the payment transaction is processed by the seller.

For some uses of your PayPal accounts, PayPal may determine currency conversion is necessary. If your PayPal balance is not enough to cover the amount of a payment you instruct us to make in a particular currency, we may perform a currency conversion from any PayPal balance in another currency to cover the shortfall. There may be some restrictions on where you can send payments in certain currencies. The applicable currency conversion spread can be found on our Fees page under the heading **Currency conversion**.

Holds or limitations may delay currency conversion of amounts until such holds or limitations are released. This may result in the application of a currency conversion that is different from the transaction exchange rate that would have been applied had no account hold(s) or limitation(s) been in place. Currency conversions in these circumstances may be more favorable or less favorable to you.

Currency conversion choices

When your payment is funded by a debit or credit card and PayPal determines a currency conversion is necessary, you consent to and authorize PayPal to convert the currency in place of your debit or credit card issuer. You may have the right to have your card issuer perform the currency conversion, if applicable for that card issuer and network. Currency preference selections may be presented to you in various forms, including setting the currency of your card, a choice of which currency is used for the transaction, whether PayPal or your card issuer performs the conversion, or which conversion rate is used for the transaction, and may be made available individually for each card and for each automatic payment agreement. If your card issuer converts the currency, your card issuer will determine the currency conversion rate and what fees they may charge.

PayPal will always perform the conversion for transactions where your Balance Account balance, business account balance or linked bank account is the payment method. For PayPal Debit Card transactions, the currency conversion will be performed by Mastercard, except for PayPal Debit Card transactions in PayPal checkout or when using the Send Money feature for which PayPal will perform the currency conversion.

Taxes and Information Reporting

General information

Our **consumer fees** and **merchant fees** are exclusive of any taxes, charges, or similar assessments of any nature, including, without limitation, value-added, sales, digital services, stamp, transfer, or withholding taxes, assessable by any jurisdiction or governmental authority (collectively, "Taxes").

Each of us shall be responsible to pay our own Taxes arising in connection with the performance of our respective obligations from your use of PayPal services.

Paying for PayPal's services

If you are paying for a PayPal service, you agree to pay to PayPal the amount of any legally applicable Taxes imposed on any amount due from you to PayPal.

You agree not to withhold any Taxes on amounts payable by you to PayPal unless you are legally required to do so. If you withhold any Taxes, the amount payable by you to PayPal shall not be decreased by the amount withheld. You agree that PayPal is entitled to receive the full amount that would have been received had there been no withholding of any Taxes. Upon request by PayPal, you will deliver to PayPal in a timely manner any written documentation evidencing your payment of Taxes to the relevant authorities.

Your additional responsibilities and acknowledgments

It is your responsibility to determine what, if any, taxes apply to the payments you make or receive, and it is solely your responsibility to assess, collect, report, and remit the correct taxes to the appropriate authority. PayPal is not responsible for determining whether any taxes apply to your transaction, or for calculating, collecting, reporting, or remitting taxes arising from any transaction.

You acknowledge that PayPal may have a legal obligation to make reports, and will make such reports, to tax authorities regarding transactions that we process on your behalf. Additional information can be found in our **Help Center**.

Information reporting

We may request that you provide PayPal with your tax identification number and/or other tax-related documentation or information. If you do not provide the requested information to PayPal or keep documentation up to date in your PayPal account, you may be subject to account **holds or limitations** and withholding Taxes at the applicable rates on gross payments received. PayPal will remit any such withholding Taxes to the appropriate tax authorities, and you acknowledge PayPal may be prohibited from refunding any amounts to you once these have been sent to the appropriate tax authorities.

If a currency conversion is required on a payment of withholding Taxes, the amount due to the relevant tax authority will be calculated by PayPal in accordance with our **currency conversion** terms when we process the withholding Taxes. To minimize risks relating to exchange rate fluctuations, account holds and limitations, tax withholding, and remittance to the relevant tax authority, you should add or confirm your taxpayer information to PayPal.

Account Statements

You have the right to receive an account statement showing your PayPal account activity. You may view your PayPal account statement by logging into your PayPal account. If you have a Balance Account linked to your personal account, you will receive two statements: one showing all transactions in your personal account and an additional statement showing only transactions involving your Balance Account.

Sending Money and Buying

Sending Money to a Friend or Family Member

Sending money

You can send money to a friend or family member as a personal transaction using the Send Money feature in your PayPal account. You can send money to a friend or family member even if they don't have an eligible PayPal account at the time you send them money, using their email address or mobile number in any currency that PayPal supports, and you can choose which **payment method** you want to use. If the person to whom you are sending money does not have an eligible PayPal account, they can claim it by opening an eligible PayPal account. If they don't claim it, it will be refunded to you.

We may, at our discretion, impose limits on the amount of money you can send, including money you send for purchases.

When you send money to a friend or family member who has an eligible PayPal account, one of two things may happen: they may accept or decline the money. If they decline to accept the money, the money (including any fees you were charged) will be **refunded** to:

- The original payment method you used for the transaction, if you used a credit card, debit card, PayPal Credit, a Balance Account, or balance in a business account as the payment method, or
- The balance in your business account or the balance in your Balance Account linked to your personal account if you used a bank account as the payment method and we cannot refund it to

your bank account.

- If you do not have a Balance Account linked to your personal account, the money will be waiting for you to claim by using one of the available transfer methods under [Receiving Funds, Holding a Balance or Transferring Funds](#) for personal accounts.

Fees for Sending Money to Friends and Family

The fees applicable to sending personal transactions to an eligible PayPal account can be found on our [Consumer Fees page](#) and will be disclosed to you in advance each time you initiate sending a personal transaction to a friend or family member. If you convert money in your Balance Account balance or in your business account balance from one currency to another before sending money, PayPal's transaction exchange rate (including our [currency conversion spread](#)) will be used. If you use your credit card as the payment method when sending money, you may also be charged a cash-advance fee by your card issuer.

If you send money to a friend's or family member's eligible PayPal account from a third party (non-PayPal) website or by using a third party's product or service, then the third party will determine if the sender or recipient pays the fee. This will be disclosed to you by the third party before the payment is initiated.

You can also use the Send Money feature in your PayPal account to pay another PayPal account for goods or services. You will not be charged any transaction fee for sending money to purchase goods or services as long as you send the money as a commercial transaction (often referred to as using the "Send Money for Goods and Services" feature in your PayPal account). In that case, the seller will pay a fee. You must not send money as a personal transaction (often referred to as using the "Send Money to a Friend or Family Member" feature in your PayPal account) when you are paying for goods or services. Note that the "Send Money to a Friend or Family Member" feature may not be available when sending money to a business account as such accounts may not be eligible to receive personal transactions.

Payments for Goods or Services Sent from Business Account

Business accounts may use the Send Money feature to send payments for goods or services to recipients with or without PayPal accounts. Different terms, conditions, and fees apply depending on whether the recipient has a PayPal account.

If you send money from your PayPal business account using the Send Money for Goods and Services feature to a recipient with a PayPal account, the recipient will pay the fees applicable to [commercial transactions](#).

If you send money for goods and services from your PayPal business account using the Send Money feature to a recipient without a PayPal account, the payment will be processed as a [Bill Pay for Business Accounts](#) transaction. In that case, you will pay the applicable [Bill Pay for Business Accounts fees](#).

Buying Something From, Donating to, or Returning Something to, a Seller Who Accepts PayPal

How to purchase something or make a donation

You can purchase something from a seller who accepts PayPal or make a donation, in any currency that the recipient accepts and that PayPal supports using any **payment method** linked to your PayPal account. This includes, for example:

- Purchasing something at an online retailer's website and selecting PayPal as your payment method at checkout.
- Sending money to a seller for goods or services.
- Using your PayPal account to purchase something at a seller's physical store using an electronic terminal, subject to certain limitations.
- Using your PayPal account to purchase something at a seller's physical store using your own mobile device and a QR code, subject to certain limitations.
- Making donations using PayPal.

If the seller you are purchasing from sells goods or services and that seller does not already have a PayPal account, they can claim your payment by opening a PayPal account. If they don't open a PayPal account within 30 days, your purchase will be refunded.

In order to manage risk, PayPal may limit the payment methods available for a transaction when you purchase something or make a donation. In addition, payment methods may be limited for certain sellers or recipients, including PayPal payments made through certain third-party websites or applications.

When you authorize a payment to a seller who accepts PayPal, some sellers may take up to 30 days to complete the transaction. In these instances, your payment may appear as a pending order in your PayPal account. In that case, your authorization of the payment will remain valid until the seller completes the transaction (but no longer than 30 days). If you used a debit or credit card as the payment method, your debit or credit card issuer also may show a pending authorization for a period of time until they release the hold or receive a completed transaction. If your payment requires a currency conversion by us, PayPal's transaction exchange rate (including a **currency conversion spread**) will be used, and may be the rate at the time the payment is processed.

Fees

When you purchase something from a seller who accepts PayPal or make a donation, you don't pay a fee to PayPal. If PayPal performs a currency conversion for your purchase or donation, PayPal's transaction exchange rate (including our **currency conversion spread**) will be used. Your debit or credit card issuer may also charge you a separate fee for non-U.S. transactions.

In addition you may be required to pay a fee to PayPal if you are making a purchase using PayPal **Business Payments** and the seller discloses to you that you, as the buyer, must pay the fee.

Payment review

When PayPal identifies a potentially high-risk transaction, we review the transaction more closely before allowing it to proceed. When this happens, PayPal will place a hold on the transaction and notify the seller to delay shipping of the item. As a buyer, this may delay your receipt of the item you purchased. If we clear the transaction, we will notify the seller and direct them to ship the item. If we don't clear the transaction, we will cancel it and return the funds to you, unless we are legally required to take other action.

Automatic payments

Some sellers who accept PayPal allow you to store PayPal as the payment method for future purchases with that seller. When you store PayPal as a payment method with a specific seller, you agree with the seller that they can use PayPal to request payment for future transactions between you and the seller. The agreement between you and the seller may allow you to authorize and schedule a payment to the seller in advance on a one-time, sporadic, or recurring basis. Examples of automatic payments that can be arranged by you with a seller include those that PayPal calls a "billing agreement," "subscription," "recurring payment," "reference transaction," "preauthorized transfer"; or "preapproved payment."

If you have a personal account, you may cancel a recurring automatic payment 3 **Business Days** or more before the date of the next scheduled payment from your account settings or by contacting us through the **PayPal Help Center**, or by calling PayPal at (888) 221-1161. If you order us to stop one of these payments 3 **Business Days** or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Once your automatic payment authorization is canceled, all future automatic payments under your agreement with that seller will be stopped. If you cancel an automatic payment authorization, you may still owe the seller money for purchases that have been authorized but not completed, or you may still have additional obligations to the seller for any goods or services that you receive but have not paid for.

If you have given advance payment authorization to a seller that permits a seller to take or receive payments from your PayPal account on a regularly recurring basis (for example, every month or otherwise on a routine billing cycle), and if such payments will vary in amount, you have the right to advance notice of the amount and date of the transfer from the seller at least 10 days before the transfer is made. If the seller provides the option, you may choose to receive this advance notice only when the amount of your automatic payment will fall outside a range established between you and the seller.

If you have authorized an automatic payment and PayPal performs currency conversion for an automatic payment transaction, PayPal will use the transaction exchange rate (including PayPal's **currency conversion spread**) in effect at the time the automatic payment transaction is processed.

Refunds

When you purchase something from a seller online using PayPal and the transaction is ultimately refunded, the money will typically be refunded to the original payment method you used for the

transaction if you used a debit card, credit card, PayPal Credit, or a balance in your Balance Account or business account.

If you used a bank account linked to a personal account as the payment method for the transaction, we may give you the option to receive the money to your Balance Account; otherwise, we will attempt to refund the money to your bank account. If we are unable to do so, we will attempt to refund the money to your linked Balance Account if you have one. If you do not have a Balance Account, the money will be waiting for you to claim by using one of the available transfer methods under **Receiving Funds, Holding a Balance or Transferring Funds** for personal accounts.

If you used a bank account linked to a business account as the payment method for the transaction, we will attempt to refund the money to your bank account. If we are unable to do so, we will refund the money to your balance in your business account.

For purchases you make in a seller's store location that you paid for using your personal account and the transaction is ultimately refunded, the money will be refunded to your Balance Account if you have one. If you do not have a Balance Account, the money will be waiting for you to claim by using one of the available transfer methods under **Receiving Funds, Holding a Balance or Transferring Funds** for personal accounts.

For purchases you make in a seller's store location that you paid for using your business account and the transaction is ultimately refunded, the money will be refunded to your balance in your business account.

If you used Pay with Rewards to fund your transaction, your refund will be processed back as a dollar amount: depending on your card agreement with your issuer, your issuer may or may not credit your purchase back to your reward balance.

If PayPal performed currency conversion for your transaction and a refund is issued:

- Within 1 day of the date of the original payment, PayPal's transaction exchange rate (including a **currency conversion spread**) used at the time of the original payment will apply.
- Beyond 1 day of the date of the original payment, PayPal's transaction exchange rate (including a **currency conversion spread**) on the date of the refund will apply.

Money will be refunded in the currency you paid; or if we are unable to refund in the currency you paid, in your primary holding currency; or we are unable to refund in your primary holding currency, then in U.S. dollars.

Payment Method Used for My Transaction

Selecting a preferred payment method

You can choose any of the payment methods in your PayPal account as your preferred payment method. You can select a preferred payment method in your account preferences on www.paypal.com or in the PayPal app, or when checking out with PayPal online. There may be

times when your preferred payment method cannot be used, for example, if you select a credit card that is expired.

You can set separate preferred payment methods for online transactions, in-store transactions, and each of your automatic payment agreements, as described below.

If you have chosen a preferred payment method, it will be shown as the primary method of payment.

For some online transactions, you can select two payment methods. For example, you may split a payment between (i) your PayPal Debit Card or balance, and (ii) your eligible credit card.

If you have not chosen a preferred payment method, you can always choose the payment method to be used for the specific transaction.

The availability of certain payment methods may be limited based on that particular seller or the third-party website you are using to complete the transaction.

If you have not chosen a preferred payment method for online transactions, when you choose a credit card (other than PayPal Credit), debit card, bank account, or balance with PayPal during a one-time online purchase, you are also providing your express consent to make that your preferred payment method for future one-time online purchases.

If you have not selected a preferred payment method, or your preferred payment method is unavailable, we will show you your available payment methods. You can also see all of your available payment methods, or add a new one, and select a payment method during the transaction.

Backup payment method

Certain one-time online transactions may require that a backup payment method be used in the event that your selected or preferred payment method is unavailable. In those instances, the backup payment method may be displayed to you on your transaction review page before you complete the transaction. If PayPal determines currency conversion is necessary for a transaction that also requires a backup payment method, you may not be able to separately choose whether PayPal or your card issuer performs the currency conversion on your backup payment method.

Sending money using the Send Money feature

When you send money using the Send Money feature in your PayPal account to eligible PayPal accounts within the U.S. using balance in your Balance Account linked to your personal account, the balance in your business account, or your bank account, we waive all fees charged to you (as per our [Fee pages](#)), so we always show you these payment options first, even if you have a set preferred payment method for your online purchases. You always have the choice to select any payment method in your PayPal account during the Send Money experience. If you select a payment method with a fee, we will always show you the fee before you send money.

Automatic payments

Some sellers allow you to store PayPal as the way you pay when making purchases on their site, so you can check out faster. Often, this entails creating an agreement with the seller that permits them to request that we charge your PayPal account each time you make a purchase.

When you first set up an automatic payment agreement or store PayPal as a payment method with a seller, you may have the option to set up a preferred payment method for such agreement. You can review, set, or change a preferred payment method for an automatic payment agreement in your PayPal account settings.

Your preferred payment method for an automatic payment agreement will be used for transactions with that seller. If you have available balance with PayPal, that balance may be used before your preferred payment method, depending on your applicable automatic payment agreement with the seller.

If you have not set a preferred payment method for an automatic payment agreement, or if your preferred or selected payment method cannot be charged for the full amount of your automatic payment transaction (for example, due to fraud risk, insufficient funds, or because it is expired) you authorize PayPal to first charge your preferred or selected payment method for the available amount, and then charge the remaining amount due to complete that transaction to your backup payment method in the following order, if applicable: 1. Balance Account or PayPal Debit Card (which allows you to access your Balance Account), or balance in your business account (if we've been able to verify the **required identifying information** you provide to us); 2. Bank account (when PayPal pays the recipient before we receive the funds from your bank); 3. PayPal co-branded credit card; 4. Debit card; 5. Credit card; and 6. E-check (when PayPal waits to receive the funds from your bank before we pay the recipient). However, if a bank account is used as the payment method for a transaction and funding fails (for example, as a result of insufficient funds), PayPal may attempt another payment method as a backup notwithstanding the order specified above (typically a credit card, if applicable). To help minimize disruptions in your automatic payments, we may update your payment method information associated with such automatic payments; see **Link or Unlink a Payment Method**.

Bank account transfers

Each time you use your bank account as a payment method, you authorize PayPal to initiate a transfer from your bank account to the recipient. For these transactions, PayPal will make electronic transfers from your bank account, as set forth under **Authorization to Charge Your Payment Method**. You authorize PayPal to re-present this transfer from your bank account up to two (2) times if the initial transfer is rejected by your bank for any reason. Adding money to your PayPal balance (including your PayPal Balance account balance) while a re-presentment is pending does not stop the original transfer from being re-presented by us to your bank.

If you use your PayPal account to pay for an item and you select your bank account as the payment method for the transaction, remember that your PayPal account is issued to you by PayPal and not your bank. The terms, benefits, and protections associated with your PayPal account may vary from those that apply to your bank account. If you use your PayPal account to make a purchase that exceeds the balance in your linked bank account, you could incur overdraft fees, even if you chose not to allow overdrafts with your bank. Similarly, the liability limits applicable to your PayPal account may differ from those applicable to your bank account.

E-check

E-check is a payment method where you use your bank account as your payment method, and the payment is not received by the recipient until the transaction is processed from the bank. This process usually takes 4–7 **Business Days**, but this amount of time will increase if the payment is sent from a bank account located outside the United States.

Pay with Rewards

PayPal may allow you to redeem rewards associated with your eligible card(s) or third-party membership rewards accounts when making a purchase with your PayPal account through PayPal's Pay with Rewards program. PayPal may share with and receive information from your issuer, third-party membership rewards provider, or third-party membership program administrator about your accounts to complete the redemption of your rewards when using PayPal's Pay with Rewards program. The exchange of this information is necessary to complete the purchase when you select the Pay with Rewards redemption option.

All Pay with Rewards redemptions are subject to the terms of your agreement with your card issuer, membership rewards provider, or membership program administrator. Pay with Rewards is only available for eligible purchases with certain merchants, and PayPal, your membership rewards provider, membership program administrator, or your issuer may limit, suspend, or terminate your ability to redeem rewards at any time in accordance with this user agreement and your membership rewards agreement. Your issuer, membership rewards provider, or membership program administrator determines the value of rewards redeemed through PayPal and available redemption methods (e.g., to pay for your purchase or for a statement credit).

There may be a delay between checkout and processing of your payment. Only rewards available upon processing of your payment will be used. Because your reward balance and/or transaction balance may change, whenever you request to redeem rewards for a purchase you also authorize PayPal to charge up to the full payment amount to your associated card or account if that happens. For more information on redeeming rewards and how it works, please see **About Payment Methods**.

Debit Card Transactions

PayPal may process debit card transactions through the ATM debit network or the Visa, MasterCard, or Discover network, except for PayPal Debit Card transactions you make in PayPal checkout or when using the Send Money feature, which will be processed directly by PayPal by debiting your Balance Account. If we process your debit card through an ATM debit network, we may provide you with the opportunity to switch to a Visa or MasterCard network. Choosing the Visa/Mastercard network may give you additional protection compared to the ATM debit networks. You should contact your debit card issuer to learn more about your rights and remedies if you pay with your debit card.

Loyalty Cards

If you use the PayPal application on your mobile phone, you may store loyalty card numbers or bar codes, where applicable, for certain sellers in your PayPal account. When you store your loyalty card numbers or bar codes in your PayPal account, you will earn any rewards, subject to the seller's loyalty card terms and conditions, at the time you make your payment to the merchant by presenting the stored loyalty card number or bar code to the seller at the point of sale. It is your responsibility to make sure you have entered your loyalty card information correctly and that you update it as

necessary. It is also your responsibility to ensure that you are receiving the rewards to which you are entitled. PayPal is not responsible for managing your loyalty card account by offering this service and any questions about your loyalty card or associated rewards program should be directed to the seller who offers the card.

PayPal Rewards Program

The PayPal Rewards Program allows eligible PayPal users to earn rewards points for completing qualifying transactions or activities. See the [PayPal Rewards Program Agreement](#) for more information. Such agreement governs participation in the PayPal Rewards Program and is incorporated herein by reference.

PayPal's Purchase Protection Program

When you purchase something from a seller who accepts PayPal, you may be eligible for a refund under PayPal's Purchase Protection program. When applicable, PayPal's Purchase Protection program may result in coverage for the full purchase price of the item plus the original shipping costs you paid, if any. PayPal determines, in its sole discretion, whether your claim is eligible for PayPal's Purchase Protection program.

The program terms and conditions are set out in [PayPal's Purchase Protection program](#) page and form part of this user agreement.

Selling and Accepting Payments

Accepting Payments

Receiving payments

If you use your PayPal account to receive payments for the sale of goods or services or to receive donations, you must:

- Pay any applicable fees for receiving the funds.
- Not ask your buyer to send you money as a personal transaction (often referred to as using the "Send Money to a Friend or Family Member" feature). If you do so, PayPal may remove your PayPal account's ability to accept payments from friends or family members.

By integrating into your online checkout/platform any functionality intended to enable a payer without a PayPal account to send a payment to your PayPal account, or by sending an [invoice](#) for a payment request, you agree to all further terms of use of that functionality which PayPal will make available to you on any page on the PayPal or Braintree website (including any page for developers and our [Legal Agreements](#) page) or online platform. Such further terms include the [PayPal Alternative Payment Methods Agreement](#).

Commercial entity status

If you are a seller, and the card payments you receive using the PayPal services meet certain criteria, you are required under the applicable card network rules to agree to a Commercial Entity Agreement with each card network member bank that processes such card payments. Such criteria include you receiving card payments from:

- PayPal account users where such card payments reach specified card network–defined volume thresholds, and/or
- PayPal account users where such card payments fall within certain card network–defined business categories, and/or
- Buyers without a PayPal account.

The applicable **Commercial Entity Agreement(s)** (as updated from time to time) apply to any such card payments processed by PayPal on your behalf through the relevant member bank(s) and are incorporated by reference into this user agreement.

Receiving donation payments

If you use your PayPal account to accept donations, including using the Donate Button or PayPal Checkout for Donations, you must:

- Pay any applicable fees for receiving the funds.
- Not use the Donate Button, PayPal Checkout for Donations, or any other donation services for the sale of goods and services. If you do so, PayPal may remove your PayPal account's ability to use those services or otherwise receive donations.

No surcharges

You agree that you will not impose a surcharge or any other fee for accepting PayPal as a payment method. You may charge a handling fee in connection with the sale of goods or services as long as the handling fee does not operate as a surcharge and is not higher than the handling fee you charge for non-PayPal transactions.

Presentation of PayPal and Venmo

You must treat PayPal and/or Venmo payment methods or marks at least on par with any other payment methods or marks offered or displayed at your points of sale where PayPal or Venmo branded services are integrated, including your websites or mobile applications. This includes at least equal or better: logo placement, position within any point of sale, and treatment in terms of payment flow, terms, conditions, restrictions, and fees, in each case as compared to other marks and payment methods at your points of sale. Further, 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.

In representations to your customers or in public communications, you must not mischaracterize any PayPal or Venmo services or exhibit a preference for other payment methods over PayPal or Venmo services. Within all of your points of sale, you agree not to try to dissuade or inhibit your customers from using PayPal or Venmo services or encourage the customer to use an alternate payment method. If you enable your customers to pay you with PayPal or Venmo, whenever you display or exhibit the payment methods that you accept (either within any point of sale or in 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.

Your customer service information, refunds and returns policy, and privacy policy

You must publish customer service information with clear instructions on how your customers can contact you. Such instructions must include at least: (1) one active customer service email address or active customer service URL to file tickets for assistance and/or (2) one active customer service telephone number. Such information must be readily accessible for review by your customers.

You must publish a refunds and returns policy.

You must publish a privacy policy, where required by law.

Payment review

PayPal reviews certain potentially high-risk transactions. If PayPal determines, in its sole discretion, that a transaction is high-risk, we place a hold on the payment and provide notice to you to delay shipping of the item. PayPal will conduct a review and either complete or cancel the payment. If the payment is completed, PayPal will provide notice to you to ship the item. Otherwise, PayPal will cancel the payment and the funds will be returned to the buyer, unless we are legally required to take other action. All payments that complete this payment review will be eligible for PayPal's Seller Protection program if they meet [PayPal's Seller Protection program](#) requirements. We will notify you about payment reviews by email and/or through your PayPal account.

In-store payments and QR code transactions

If you accept PayPal payments at your physical store, you must communicate the total amount of the transaction to the customer before it takes place. You may charge your customer's account only for transactions that they have authorized. You must also provide customers with a physical receipt if they request one. You agree that any transaction that you make shall have an accurate and true description of the goods and services being purchased.

If you use a QR code to accept payments in your physical store, you must use a QR code intended for goods and services transactions. You must also not use QR codes intended for in-person transactions as a method of accepting payment for goods and services transactions occurring online. For any buyer claims related to QR code transactions, you may be required to provide us with alternative evidence of delivery or such additional documentation or information relating to the transaction.

Invoicing

If you use Invoicing, the [Invoicing Terms and Conditions](#) will apply.

Marketplace sellers

If you're a seller on a marketplace or through a third-party application where PayPal is offered, you must comply with any rules that apply to the marketplace's or the third-party application's buyer protection program for sales you make through that forum. Any such protections may require you to take certain actions and may impact how claims are processed.

PayPal Giving Fund

If you are a charity and hold a PayPal account, you may be eligible to participate in PayPal Giving Fund programs. PayPal Giving Fund is a Donor Advised Fund (DAF) recognized by the Internal Revenue Service (IRS) under Section 501(c)(3) of the Code as a tax-exempt public charity (Federal Tax ID: 45-0931286). If you meet the eligibility requirements in the [Nonprofit Certification Policy](#) and are either a "Public Charity" under Section 509(a) of the Code or a "Private Operating Foundation" under IRS regulations, you may be automatically enrolled with PayPal Giving Fund upon acceptance of this user agreement. You will receive an email from us confirming your enrollment. Your relationship with PayPal Giving Fund will be governed by the [Nonprofit User Agreement](#), including receiving email communications from PayPal Giving Fund about its current and future partners about its programs. You can opt out of email communications at any time in your [PayPal Giving Fund profile](#). If you don't want to be enrolled or receive donations from PayPal Giving Fund, you can opt-out at any time by [contacting us](#). For more information, please see [PayPal Giving Fund's Policies](#).

Card not present transactions

Whenever a buyer uses a debit or credit card as the payment method for a transaction using their account to buy something from you as a seller, the transaction will be processed as a "card not present" transaction, even if the buyer is at your store location.

Accepting preauthorized payments

As a seller, you can accept payments from a buyer's account through preauthorized transfers either on a one-time, regular or sporadic basis. This type of transaction is sometimes called a "billing agreement," "subscription," "recurring payment," "reference transaction," "pre-approved payment" or "automatic payment".

If you receive preauthorized payments from buyers:

You must:	You must not:
Get each buyer's prior authorization for the amount, frequency, and duration of any such payment.	Restart future payments without the buyer's written authorization, if a buyer has stopped or canceled a preauthorized payment.
Provide a simple and easily accessible online cancelation procedure, if buyers sign up for preauthorized payments online.	
Provide buyers the ability to stop any such payment up to 3 Business Days before the date scheduled for payment.	
Notify the buyer at least 10 days in advance of the amount and date of each preauthorized	

payment if the preauthorized payment will vary from the preauthorized amount or (at the buyer's option) any payment that is in an amount that falls outside of the pre-determined range.

Transaction Fees for Online and In-Store Payments

Your PayPal transaction fees depend on:

- the country of the buyer's account or the currency of their card;
- whether you are registered as a charitable organization and have active 501(c)(3) status. Your 501(c)(3) status must be documented with PayPal to receive the rates applicable to charitable organizations, and those rates will apply only after you document your status with us.

Standard transaction fees

The fees you pay when selling goods or services or receiving donations, and the buyer pays using their PayPal account (or using another authorized wallet), can be found on the [Standard Transaction Fees table](#), with the fees applicable to charitable organizations found on the [Standard Transaction Fees for Charitable Organizations](#) table for the charitable fees. Please note that:

- We may revise the fees applicable to future transactions that you process using PayPal, subject to the applicable notice requirements set forth herein.
- If you accept payments using a PayPal product (like [PayPal Payments Pro](#)), the fees applicable to those products will apply to your transactions.

Micropayments

You may apply to receive [Micropayments pricing](#) for certain lower value transactions processed through your PayPal account.

- If your PayPal account has been approved for Dynamic Micropayments (also known as Dynamic Pricing), then PayPal will automatically apply either the [Micropayments rate](#) or the [applicable higher value transaction rate](#) to each transaction processed through your account based on whichever rate results in the lowest fees to you for that transaction.
- If your PayPal account has previously been approved for Static Micropayments, then all such transactions processed through your account will receive the [Micropayments rate](#), regardless of the transaction amount. If you have multiple PayPal accounts, but only some of them have been approved for Static Micropayments, then you are responsible for routing your transactions through the appropriate account to receive the desired pricing. Once a transaction is processed, PayPal will have no responsibility to re-route the transaction through a different account or apply different pricing. PayPal may, at its sole discretion, unilaterally convert your account from a Static Micropayments setup to the Dynamic Micropayments setup. PayPal has no obligation to offer the Static Micropayments setup as an alternative to the Dynamic Micropayments setup.

Not all payment types are eligible for Micropayments pricing.

Your responsibility to notify PayPal of pricing or fee errors

Once you have access to any account statement(s) or other account activity information made available to you by PayPal with respect to your business account(s), you will have sixty (60) days to notify PayPal in writing of any errors or discrepancies with respect to the pricing or other fees applied by PayPal. If you do not notify PayPal within such timeframe, you accept such information as accurate, and PayPal shall have no obligation to make any corrections, unless otherwise required by applicable law. For the purposes of this provision, such pricing or fee errors or discrepancies are different than **Unauthorized Transactions** and other electronic transfer **Errors** which are each subject to different notification timeframes as set forth in this user agreement.

Refunds, Reversals and Chargebacks

General information

If you receive a payment for selling goods or services that is later refunded or invalidated for any reason, you are responsible for the full amount of the payment sent to you plus any fees (including any applicable **chargeback fee** or **Dispute fee**). Whenever a transaction is refunded or otherwise reversed, PayPal will refund or reverse the transaction from your PayPal account. If a currency conversion is necessary (for example if the balance in your Balance Account or your business account for a particular currency is insufficient to cover the amount of a refund or reversal, or if the buyer paid in a different currency), PayPal will perform a currency conversion as described in the section **How we convert currency**.

If you refund a transaction, we'll retain the fees you paid as set out on our **Fees page**.

Payments that are invalidated and reversed

Payments to you may be invalidated and reversed by PayPal if:

- You lose a PayPal Purchase Protection claim submitted to us by a buyer.
- You fail to respond or provide accurate and complete information in response to PayPal's inquiries related to a buyer's claims or chargebacks for a particular transaction within the timeframe communicated to you by PayPal.
- You lose a Venmo Protected Purchase Program claim.
- Your buyer pursues a chargeback related to a card-funded transaction and the transaction is not eligible for **PayPal's Seller Protection** program. The card issuer, not PayPal, determines whether a buyer is successful when they pursue a chargeback related to a card-funded transaction.
- You do not fulfill the transaction as promised or you cannot provide **proof of shipment or proof of delivery** when required.
- Our investigation of a bank reversal made by a buyer or the buyer's bank finds that the transaction was fraudulent.
- PayPal sent the payment to you in error.

- The payment was unauthorized.
- You received the payment for activities that violated this user agreement or any other agreement between you and PayPal.

When you receive a payment, you are liable to PayPal for the full amount of the payment sent to you plus any fees if the payment is later invalidated or reversed for any reason. If the buyer paid in another currency, the full amount of that payment may be calculated in that currency, using the PayPal transaction exchange rate (including our **currency conversion spread**) that applies at the time the refund or reversal is processed. If the balance in your Balance Account or business account doesn't cover the payment amount due plus the fees, we may use any of the payment methods linked to your PayPal account to cover the amount due. If the payment methods linked to your PayPal account don't cover the amount due, this will result in a negative balance. A negative balance represents an amount that you owe to us, and, in this situation, you must immediately add funds to your balance to resolve it. If you don't, PayPal may:

- engage in collection efforts to recover the amount due from you;
- take any or all action as outlined under **Amounts owed to PayPal**; or
- place a limitation or take other action on your PayPal account as outlined under **Restricted Activities and Holds**.

Dispute fees

PayPal will charge a **Dispute fee** to sellers for facilitating the online dispute resolution process for transactions that are processed either through a buyer's PayPal account or through a PayPal Guest Checkout. The **Dispute fee** applies when the buyer pursues a claim directly with PayPal, a chargeback with their card issuer, or a reversal with their bank. The **Dispute fee** will be charged at either the **Standard Dispute fee** rate or the **High Volume Dispute fee** rate. The **Dispute fee** will be charged in the currency which you selected for the original transaction listing. If the transaction was in a currency not listed in the **Dispute fee** table, then the fee charged will be in your primary holding currency. The **Dispute fee** will be deducted from your PayPal account after the claim is decided.

The **Dispute fee** amount will be determined when the dispute case is created. The fee is based on the ratio of all Item Not Received and Significantly Not as Described claims you receive compared to the total amount of your sales for the previous three calendar months. Your total claims include all Item Not Received and Significantly Not as Described claims that are filed either directly with and escalated to PayPal or with the buyer's card issuer or bank. Your total claims do not include claims for Unauthorized Transactions. For example, for the month of September, your dispute ratio will be calculated by considering your total claims to sales ratio over June, July, and August. The claims ratio for September will determine the dispute fee for all claims filed in October. Your total claims include all claims filed directly with and escalated to PayPal, except claims for **Unauthorized Transactions**; and all chargebacks from the buyer's card issuer or reversals from the buyer's bank.

If your dispute ratio is 1.5% or more and you had more than 100 sales transactions in the previous three full calendar months, you will be charged the **High Volume Dispute fee** for each dispute. Otherwise, you will be charged the **Standard Dispute fee** for each dispute.

You will not be charged a **Standard Dispute fee** for disputes that are:

- Inquiries in PayPal's **Resolution Center** that are not escalated to a claim with PayPal.
- Resolved directly between you and the buyer and not escalated to a claim with PayPal.
- Filed by the buyer directly with PayPal as an **Unauthorized Transaction**.
- Deemed by PayPal in its sole discretion to have met all the requirements under **PayPal's Seller Protection program**.
- Claims with a transaction value that is less than twice the amount of a Standard Dispute fee.
- Decided in your favor by PayPal or your issuer.

You will not be charged a **High Volume Dispute fee** for disputes that are:

- Inquiries in PayPal's **Resolution Center** and not escalated to a claim with PayPal.
- Resolved directly between you and the buyer and not escalated to a claim with PayPal.
- Filed by the buyer directly with PayPal as an **Unauthorized Transaction**.

Sellers charged **High Volume Dispute fees** may be required to provide a remediation plan which includes an explanation of the cause of the increased dispute rate, the actions taken to reduce disputes, and the timelines for those actions.

Disputes listed above may be excluded from being charged a **Standard Dispute fee** or a **High Volume Dispute fee**, but the claim itself may still be included in the overall calculation of your dispute ratio.

If you engage in a **Restricted Activity**, PayPal may charge the **High Volume Dispute fees** for all current and future disputes, irrespective of your dispute ratio or sales volumes, given PayPal's increased involvement as a result of such Restricted Activity.

Chargeback fees

For transactions that are not processed either through a buyer's PayPal account or through a PayPal Guest Checkout, and where the buyer pursues a chargeback for the transaction with their card issuer, then PayPal will charge you a **Chargeback fee** for facilitating the chargeback process. This fee will apply regardless of whether the buyer is successful in pursuing the chargeback with the card issuer.

The applicable chargeback fee will be deducted from your PayPal account. The chargeback fee is applied as specified in the **Chargeback Fee table** and will be charged in the currency which you selected for the original transaction listing. If the transaction was in a currency not listed in the **Chargeback fee** table, the fee charged will be in your primary holding currency.

Impact of various purchase protection processes on sellers

You should read and understand PayPal's Purchase Protection program, Venmo's Protected Purchase Program, and if you sell goods and services to buyers with PayPal accounts in countries other than your own, you also should be familiar with the purchase protection available to buyers in each of

those countries. Buyers' rights under these programs may impact you as a seller. You can find information about PayPal's protection programs on the [Legal Agreements](#) page by selecting your buyer's location at the top of the page and referring to the corresponding user agreement. You can find information on Venmo's Protected Purchase Program in [Venmo's user agreement](#).

If you lose a claim under [PayPal's Purchase Protection](#) program in any country, or under Venmo's Protected Purchase Program:

- You must forfeit the full purchase price of the item plus the original shipping cost. This applies when you are the primary seller or a secondary seller of goods or services. For example, event ticketing agents or online travel agents will forfeit the full purchase amount paid by the buyer. In some cases, you may not receive the item back.
- The Purchase Protection claim will only be considered fully resolved if:
 - the refund to a buyer is processed through PayPal or Venmo, as applicable, or
 - you provide evidence acceptable to PayPal, in its sole discretion, that the buyer agreed to the alternative resolution provided.
- You will not receive a refund of the PayPal fees that you paid in connection with the sale.
- If the claim was that the item received was Significantly Not as Described, you may not receive the item back, or you may be required to accept the item back and pay for the return shipping costs.
- If the claim was that the item received was Significantly Not as Described and related to an item you sold that is counterfeit, you will be required to provide a full refund to the buyer and you may not receive the item back.

PayPal's Seller Protection Program

What's eligible

If you sell a good or service to a buyer, you may be eligible for PayPal's Seller Protection program. When it applies, PayPal's Seller Protection program may result in you retaining the full purchase amount. PayPal determines whether your claim is eligible for PayPal's Seller Protection program.

The program terms and conditions are set out in [PayPal's Seller Protection program](#) page and form part of this user agreement.

PayPal Advertising Program

The PayPal Advertising Program enables qualifying merchants with eligible business accounts to promote PayPal services, including PayPal's Credit Products, through PayPal-hosted banners and buttons on merchants' websites or in other channels if and as approved by PayPal. PayPal may change the content provided through this program at any time for any reason, and PayPal may choose to discontinue the PayPal Advertising Program at any time.

If you participate in this program:

You must:

Comply with all integration and PayPal Advertising Program requirements provided by PayPal or each authorized third party, including those with respect to accurate presentation of all PayPal related information.

You must not:

Modify any PayPal content or its presentation in any way.

Only use the code for PayPal content, or any promotional assets as provided by PayPal.

Copy PayPal content from other websites or channels or duplicate PayPal promotional assets from other merchants.

Use the PayPal content in its entirety with all the links and language provided by PayPal and without modification by you.

Create, display or host your own PayPal content, unless authorized by PayPal in writing.

Immediately remove all PayPal content from your sites or other channels and communications and/or cooperate with PayPal or your third-party provider to do so, if you stop using a qualifying PayPal payments solution.

Post or present PayPal content on social media networks or platforms or anywhere else, unless authorized by PayPal in writing.

Keep all PayPal content current and up to date, including by cooperating with PayPal to manually update the PayPal content as it appears on your sites, other channels, or in your communications and repair or reinstall the code to facilitate future updates.

Display any non-current PayPal content.

Comply with applicable advertising laws, regulations and standards issued by governmental authorities or advertising self-regulatory bodies including but not limited to the digital advertising standards issued by the Network Advertising Initiative.

If you promote the use of PayPal's Credit Products on your sites, other approved channels, and/or consumer communications through the PayPal Advertising Program, there are additional requirements that **apply**.

If you receive consumer inquiries relating to a Credit Product, then you must direct the consumer to **PayPal Customer Support**.

You are responsible for any damages suffered by PayPal or any third parties resulting from your failure to follow the rules of the PayPal Advertising Program, and if you violate these rules, PayPal

may modify or remove the PayPal content you are presenting or require you to remove or modify it immediately. If you fail to follow these rules, we may limit or close your PayPal account.

Restricted Activities, Holds, and Other Actions We May Take

Restricted Activities

In connection with your use of our websites, your PayPal account, the PayPal services, or in the course of your interactions with PayPal, other PayPal customers, or third parties, you must not:

- Breach this user agreement, the PayPal **Acceptable Use Policy**, the **Commercial Entity Agreements** (if they apply to you), the **PayPal Balance Terms and Conditions** (if it applies to you), or any **other agreement** between you and PayPal;
- Violate any law, statute, ordinance, or regulation (for example, those governing financial services, consumer protections, unfair competition, anti-discrimination or false advertising);
- Infringe PayPal's or any third party's copyright, patent, trademark, trade secret or other intellectual property rights, or rights of publicity or privacy;
- Sell counterfeit goods;
- Act in a manner that is defamatory, trade libelous, threatening or harassing;
- Provide false, inaccurate or misleading information;
- Send or receive what we reasonably believe to be potentially fraudulent funds;
- Refuse to cooperate in an investigation or provide confirmation of your identity or any information you provide to us;
- Attempt to double dip during the course of a dispute by receiving or attempting to receive funds from both PayPal and the seller, bank or card issuer for the same transaction;
- Control an account that is linked to another account that has engaged in any of these restricted activities;
- Conduct your business or use the PayPal services in a manner that results in or may result in;
 - complaints;
 - requests by buyers (either filed with us or card issuers) to invalidate payments made to you;
 - fees, fines, penalties or other liability or losses to PayPal, other PayPal customers, third parties or you;
- Use your PayPal account or the PayPal services in a manner that PayPal, Visa, MasterCard, American Express, Discover or any other electronic funds transfer network reasonably believes to be an abuse of the card system or a violation of card association or network rules;
- Allow your PayPal account to have a negative balance;
- Provide yourself a cash advance from your credit card (or help others to do so);

- Access the PayPal services from a country that is not included on PayPal's [permitted countries list](#);
- Take any action that imposes an unreasonable or disproportionately large load on our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or the PayPal services;
- Facilitate any viruses, trojan horses, malware, worms or other computer programming routines that attempts to or may damage, disrupt, corrupt, misuse, detrimentally interfere with, surreptitiously intercept or expropriate, or gain unauthorized access to any system, data, information or PayPal services;
- Use an anonymizing proxy; use any robot, spider, other automatic device, or manual process to monitor or copy our websites without our prior written permission; or use any device, software or routine to bypass our robot exclusion headers;
- Interfere or disrupt or attempt to interfere with or disrupt our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, any of the PayPal services or other users' use of any of the PayPal services;
- Take any action that may cause us to lose any of the services from our Internet service providers, payment processors, or other suppliers or service providers;
- Use the PayPal services to test credit card behaviors;
- Circumvent any PayPal policy or determinations about your PayPal account such as temporary or indefinite suspensions or other account holds, limitations or restrictions, including, but not limited to, engaging in the following actions: attempting to open new or additional PayPal account(s) when an account has a negative balance or has been restricted, suspended or otherwise limited; opening new or additional PayPal accounts using information that is not your own (e.g., name, address, email address, etc.); or using someone else's PayPal account;
- Harass and/or threaten our employees, agents, or other users; or
- Abuse our online dispute resolution process and/or PayPal's Purchase Protection program and/or PayPal's Seller Protection program.

Actions We May Take if You Engage in Any Restricted Activities

If we believe that you've engaged in any of these activities, we may take a number of actions to protect PayPal, its customers and others at any time in our sole discretion. The actions we may take include, but are not limited to, the following:

- Terminating this user agreement, limiting your PayPal account (and any linked Balance Account), and/or closing or suspending your PayPal account (and any linked Balance Account), immediately and without penalty to us.
- Refusing to provide the PayPal services to you in the future.
- Limiting your access to our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, your PayPal account or any

of the PayPal services, including limiting your ability to pay or send money with any of the payment methods linked to your PayPal account, restricting your ability to send money or make withdrawals.

- Holding the balance in your Balance Account, the balance in your business account, or any money waiting to be claimed through your personal account if you do not have a Balance Account linked to your personal account, for up to 180 days if reasonably needed to protect against the risk of liability or if you have violated our **Acceptable Use Policy**. The hold may remain in place longer than 180 days according to **Court Orders, Regulatory Requirements, or Other Legal Processes**.
- Suspending your eligibility for PayPal's Purchase Protection program and/or PayPal's Seller Protection program.
 - If your eligibility is suspended, amounts you retained under PayPal's Seller Protection program in the 30 calendar days prior to your suspension may be recovered as **amounts owed to PayPal**. These amounts constitute actual damages suffered by PayPal as a result of your actions (i.e., payments that you retained at PayPal's expense that you were not otherwise entitled to), and we may debit your PayPal account accordingly.
- Charging the **High Volume Dispute fees** for all current and future disputes irrespective of your dispute ratio or sales volumes, given PayPal's increased involvement as a result of such Restricted Activity.
- Contacting buyers who have purchased goods or services from you using PayPal, your bank or credit card issuer, other impacted third parties, or law enforcement about your actions.
- Updating inaccurate information you provided us.
- Taking legal action against you.

If we close your PayPal account or terminate your use of the PayPal services for any reason, we'll provide you with notice of our actions and make any unrestricted funds held in the balance of your Balance Account linked to your personal account or in the balance of your business account, or any money waiting to be claimed through your personal account if you do not have a Balance Account linked to your personal account, available for withdrawal.

You are responsible for all reversals, chargebacks, claims, fees, fines, penalties and other liability incurred by PayPal, any PayPal customer, or a third party caused by or arising out of your breach of this agreement, and/or your use of the PayPal services.

Holds, Limitations, and Reserves

What are holds, limitations, and reserves

Under certain circumstances, in order to protect PayPal and the security and integrity of the network of buyers and sellers that use the PayPal services, PayPal may take account-level or transaction-level actions. Unless otherwise noted, if we take any of the actions described here, we'll provide you with notice of our actions, but we retain the sole discretion to take these actions. To request information in connection with an account limitation, hold or reserve, you should visit

the [Resolution Center](#) or follow the instructions in our email notice with respect to the limitation, hold or reserve. Account holds or limitations may impact your ability to move funds to or from your PayPal Savings account.

Our decision about holds, limitations and reserves may be based on confidential criteria that are essential to our management of risk and the protection of PayPal, our customers and/or service providers. We may use proprietary fraud and risk modeling when assessing the risk associated with your PayPal account. In addition, we may be restricted by regulation or a governmental authority from disclosing certain information to you about such decisions. You agree that we have no obligation to disclose the details of our risk management or security procedures to you.

In order to facilitate PayPal's actions described above and allow us to assess the level of risk associated with your PayPal account, you agree to cooperate with PayPal's reasonable requests for financial statements and other documentation or information in a timely fashion.

Holds

A hold is an action that PayPal may take under certain circumstances either at the transaction level or the account level. When PayPal places a temporary hold on a payment, the money is not available to either the sender or the recipient. PayPal reviews many factors before placing a hold on a payment, including: account tenure, transaction activity, business type, past customer disputes, and overall customer satisfaction. Some common situations where PayPal will hold payments include:

- New sellers or sellers who have limited selling activity.
- Payments for higher-risk categories like electronics or tickets.
- Sellers who have performance issues, or a high rate of buyer dissatisfaction or disputes.

Holds based on PayPal's risk decisions

We may place a hold on payments sent to your PayPal account if, in our sole discretion, we believe that there may be a high level of risk associated with you, your PayPal account, or your transactions or that placing such a hold is necessary to comply with state or federal regulatory requirements. We make decisions about whether to place a payment hold based on a number of factors, including information available to us from both internal sources and third parties. When we place a hold on a payment, the funds will appear in your PayPal account with an indication that they are unavailable or pending. We'll notify you, either through your PayPal account or directly by phone or email, whenever we place a hold.

Risk-based holds generally remain in place for up to 21 days from the date the payment was received into your PayPal account. We may release the hold earlier under certain circumstances (for example, if you've uploaded shipment tracking information related to the transaction), but any earlier release is at our sole discretion. The hold may last longer than 21 days if the payment is challenged as a payment that should be invalidated and reversed based on a disputed transaction as discussed in the following paragraph below. In this case, we'll hold the payment in your PayPal account until the matter is resolved (but no longer than 180 days).

Holds related to Marketplace transactions

If you're a seller on a marketplace or through a third-party application where PayPal is offered, a hold may be placed on a payment sent to you at the instruction of the applicable marketplace or third party. This is done once you have granted us permission to have your funds held and will be in accordance with your agreement with the third party. These holds will appear in your PayPal account. If you have questions about why the applicable marketplace or third party instructed PayPal to put these holds in place, you will need to contact the marketplace or third party directly.

Holds based on disputed transactions

If a payment sent to you as a seller is challenged as a payment that should be invalidated and reversed, we may place a temporary hold on the funds in your PayPal account to cover the amount that could be reversed. Any of the situations described under [Refunds, Reversals and Chargebacks](#) are situations that could result in us placing a hold on a payment. If we determine the transaction should not be reversed, we'll lift the temporary hold. If we determine the transaction should be reversed, we'll remove the funds from your PayPal account.

Account Limitations

Limitations are implemented to help protect PayPal, its affiliates, buyers and sellers when we notice [restricted activities](#), an increased financial risk, or activity that appears to us as unusual or suspicious. Limitations also help us collect information necessary for keeping your PayPal account open.

There are several reasons why your PayPal account could be limited, including:

- If we suspect someone could be using your PayPal account without your knowledge, we'll limit it for your protection and look into the fraudulent activity.
- If your debit or credit card issuer alerts us that someone has used your card without your permission. Similarly, if your bank lets us know that there have been unauthorized transfers between your PayPal account and your bank account.
- In order to comply with applicable law.
- If we believe in our sole discretion that you have breached this agreement or violated the [Acceptable Use Policy](#).
- Seller performance indicating your PayPal account is high risk. Examples include: indications of poor selling performance because you've received an unusually high number of claims and chargebacks, selling an entirely new or high-cost product type, or if your typical sales volume increases rapidly.

Unless a permanent limitation is placed on your account, you will need to resolve any issues with your account before a limitation can be removed. Normally, this is done after you provide us with the information we request. However, if we reasonably believe a risk still exists after you have provided us that information, we may take action to protect PayPal, our users, a third party, or you from reversals, fees, fines, penalties, legal and/or regulatory risks and any other liability.

Reserves placed on business accounts

We may place a reserve on your business account at any time if we believe there may be a high level of risk associated with you, your business account, your business model, or your transactions. When we place a reserve on your business account, it means that all or some portion of the money in your business account is reserved as unavailable for withdrawal in order to protect against the risk of transactions made by you being reversed or invalidated or any other risk related to your business account or use of the PayPal services. We make decisions about whether to place a reserve based on a number of factors, including information available to us from both internal sources and from third parties.

PayPal considers a list of non-exclusive factors and whether and how these factors have changed over time, including:

- How long you have been in business.
- Whether your industry has a higher likelihood of chargebacks.
- Your payment processing history with PayPal and other providers.
- Your business and/or personal credit history.
- Your delivery time frames.
- Whether you have higher than average number of returns, chargebacks, claims or disputes.

There are two categories of reserves that may be placed on your business account, and one or both may be applied at the same time:

- **A Rolling reserve** is a reserve where a percentage of each transaction you receive each day is held and then released later on a scheduled basis. For example, your reserve could be set at 10% and held for a 90-day rolling period – meaning 10% of the money you receive on day 1 is held and then released on day 91, 10% of the money you receive on day 2 is held until day 92, etc. Rolling reserves are the most common type of reserve.
- **A Minimum reserve** is a specific minimum amount of money that you're required to keep available in the balance of your business account at all times. The minimum reserve is either taken as an upfront amount deposited all at once (also known as an Upfront reserve) or is established on a rolling basis from percentages of sales until the minimum reserve is achieved, much like a rolling reserve.

If we place a reserve on funds in your account, the funds will be shown as "pending" and we'll notify you of the terms of the reserve.

If we change the terms of the reserve due to a change in our risk assessment, we'll notify you of the new terms.

Court Orders, Regulatory Requirements, or Other Legal Processes

If we are notified of a court order or other legal process (including garnishment or any equivalent process) affecting you, or if we otherwise believe we are required to do so in order to comply with applicable law or regulatory requirements, we may be required to take certain actions, including holding payments to/from your PayPal account, placing a reserve or limitation on your PayPal account, or releasing your funds. We will decide, in our sole discretion, which action is required of us. Unless the court order, applicable law, regulatory requirement or other legal process requires otherwise, we will notify you of these actions. We do not have an obligation to contest or appeal any court order or legal process involving you or your PayPal account. When we implement a hold, reserve or limitation as a result of a court order, applicable law, regulatory requirement or other legal process, the hold, reserve or limitation may remain in place longer than 180 days.

Liability for Unauthorized Transactions and Other Errors

Protection from Unauthorized Transactions

To protect yourself from unauthorized activity in your PayPal account, you should regularly log into your PayPal account and review your PayPal account statement. PayPal will notify you of each transaction by sending an email to your primary email address on file. You should review these transaction notifications to ensure that each transaction was authorized and accurately completed.

PayPal will protect you from unauthorized activity in your PayPal account. When this protection applies, PayPal will cover you for the full amount of the unauthorized activity as long as you cooperate with us and follow the procedures described below.

Business Accounts

For unauthorized transfers involving your PayPal business account, PayPal generally follows the procedures described below, with exception for unauthorized transfers or debits in excess of the authorized amount associated with outgoing payments (or debits) using your assigned account number and routing number. For information on your rights to dispute debit transactions involving your business account using your account number and routing number, see [Returning Unauthorized or Excess Business Account Debits](#).

What is an Unauthorized Transaction

An “Unauthorized Transaction” occurs when money is sent from your PayPal account that you did not authorize and that did not benefit you. For example, if someone steals or fraudulently obtains your password, uses the password to access your PayPal account, and sends a payment from your PayPal account, an Unauthorized Transaction has occurred.

What is not considered an Unauthorized Transaction

The following are NOT considered Unauthorized Transactions:

- If you grant authority to someone to use your PayPal account (by giving them your login information) and they exceed the authority you gave them. You are responsible for transactions made in this situation unless you have previously notified PayPal that you no longer authorize transfers by that individual.

- Invalidation and reversal of a payment as a result of the actions described under **Refunds, Reversals and Chargebacks**.

Reporting an Unauthorized Transaction

If you believe your PayPal login information has been lost or stolen, please **contact PayPal customer service** immediately or call: (888) 221-1161 or write: PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950.

Tell us AT ONCE if you believe that an electronic fund transfer has been made without your permission using your login information or by other means. You could lose all the money in your PayPal account.

Also, if your PayPal account statement shows transfers that you did not make, including those made with your PayPal login information or by other means, tell us at once. If you do not tell us within 60 days after we provided the statement to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

Error Resolution

What is an Error

An "Error" means the following:

- When money is either incorrectly taken from your PayPal account or incorrectly placed into your PayPal account, or when a transaction is incorrectly recorded in your PayPal account.
- You send a payment and the incorrect amount is debited from your PayPal account.
- An incorrect amount is credited to your PayPal account.
- A transaction is missing from or not properly identified in your PayPal account statement.
- We make a computational or mathematical error related to your PayPal account.
- You request receipt or periodic statement documents that PayPal is required to provide to you.
- You request information concerning preauthorized (recurring) transfers to your PayPal account that PayPal is required to provide to you.
- You request additional information or clarification concerning a transfer to or from your PayPal account, including a request you make to determine whether an error has occurred.
- You inquire about the status of a pending transfer to or from your PayPal account.
- You request documentation or other information, unless the request is for a duplicate copy for tax or other record-keeping purposes.

What is not considered an Error

The following are NOT considered Errors:

- If you give someone access to your PayPal account (by giving them your login information) and they use your PayPal account without your knowledge or permission. You are responsible for transactions made in this situation.
- Invalidation and reversal of a payment as a result of the actions described under **Refunds, Reversals and Chargebacks**.
- Routine inquiries about the balance in your Balance Account or business account, or any money waiting to be claimed through your personal account if you do not have a Balance Account linked to your personal account.
- Requests for duplicate documentation or other information for tax or other recordkeeping purposes.

In case of Errors or questions about your electronic transfers

Telephone us at (888) 221-1161, contact us through the PayPal **Resolution Center**; or write us at PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950.

Notify us as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 **Business Days**.

We will determine whether an error occurred within 10 **Business Days** after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your PayPal account within 10 **Business Days** for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 **Business Days**, we may not credit your PayPal account.

For errors involving new PayPal accounts, point-of-sale transactions, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new PayPal accounts, we may take up to 20 **Business Days** to credit your PayPal account for the amount you think is in error.

We will tell you the results within 3 **Business Days** after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

Processing Errors

We will rectify any processing error that we discover. If the error results in:

- You receiving less than the correct amount to which you were entitled, then we will credit your PayPal account for the difference between what you should have received and what you actually received.
- You receiving more than the correct amount to which you were entitled, then we will debit your PayPal account for the difference between what you actually received and what you should have received.
- Our not completing a transaction on time or in the correct amount, then we will be responsible to you for your losses or damages directly caused by this failure, unless:
 - through no fault of ours, you did not have enough available funds to complete the transaction;
 - our system was not working properly and you knew about the breakdown when you started the transaction; or
 - the error was due to extraordinary circumstances outside our control (such as fire, flood or loss of Internet connection), despite our reasonable precautions.

Processing errors are not:

- Delays that result from PayPal applying **holds, limitations or reserves**.
- Delays based on a **payment review**.
- Delays described under **How to buy something** related to the time it may take for a purchase transaction to be completed in some situations.
- Your errors in making a transaction (for example, mistyping an amount of money that you are sending).

Returning Unauthorized or Excess Business Account Debits

Notwithstanding any other provision of this section **Liability for Unauthorized Transactions and Other Errors**, if you believe that your assigned account number and routing number have been used to debit your business account without your valid authorization or in an amount that exceeds your authorization (an “Unauthorized/Excess Business Debit”), please telephone us at (888) 221-1161 or contact us through the PayPal **Resolution Center** by 8:00 PM PT on the **Business Day** following the **Business Day** that the Unauthorized/Excess Business Debit is posted to your business account (the “Cutoff Time”). If you do not notify us by the Cutoff Time, you will be responsible for recovering any potential losses directly with the merchant/originator of the Unauthorized/Excess Business Debit. The protections described in **Liability for Unauthorized Transactions and Other Errors** will still apply to other types of errors involving your business account, including our own processing errors.

Remittance Transfer Errors

What is a Remittance Transfer

You may be protected for certain errors when you send money outside of the U.S. using a PayPal account. A “Remittance Transfer” is a transaction that meets the following criteria:

- The payment is sent from a personal account that is used primarily for personal, family or household purposes,
- The payment is made for personal, family or household purposes,
- The payment is made using the Send Money feature through your PayPal account,
- The payment amount equals or exceeds \$15 U.S. dollars (excluding fees charged to you) or the foreign currency equivalent calculated using exchange rates in effect at the time of the transaction, and
- The recipient received the payment in a PayPal account outside of the U.S.

Payments that you make at a merchant website or location by selecting PayPal as a payment option are not “Remittance Transfers.”

What qualifies as a Remittance Transfer Error

A “**Remittance Transfer Error**” occurs if:

- You paid an incorrect amount to send the Remittance Transfer. For example, you were charged more than the total shown on the remittance transfer receipt you received (unless the total shown on the receipt was an estimate, and the difference results from application of the actual exchange rate, fees, and Taxes).
- PayPal made a computational or bookkeeping error, such as a miscalculation of the amount the recipient received.
- The amount stated in the remittance transfer receipt was not made available to the recipient, unless:
 - we stated in the remittance transfer receipt that we used estimates and the difference in the amount received and the amount stated in the remittance transfer receipt results from application of the actual exchange rate, fees, and Taxes, or
 - the problem was caused by extraordinary circumstances outside our control.
- Funds were available to the recipient later than the date of availability that was disclosed to you on the remittance transfer receipt or were not delivered, unless:
 - extraordinary circumstances outside our control caused the delay, and we could not reasonably anticipate those circumstances,
 - delays resulted from fraud screenings, or were caused by requirements of the Office of Foreign Assets Controls or similar requirements, or
 - you (or someone assisting you) made the transfer with fraudulent intent.

- You request documentation or information concerning the Remittance Transfer, such as information required to determine if a Remittance Transfer Error occurred.

What is not considered a Remittance Transfer Error

The following are NOT considered Remittance Transfer Errors:

- An inquiry about the status of a Remittance Transfer, except where the funds from the transfer were not made available to a designated recipient by the disclosed date of availability,
- A request for information for tax or other recordkeeping purposes,
- A change requested by the designated recipient, or
- A change in the amount or type of currency received by the designated recipient from the amount or type of currency stated in the disclosure provided you, if we relied on information provided by you in making the disclosure.

What to do if you think there has been a Remittance Transfer Error or problem

If you think there has been a Remittance Transfer Error or problem with your Remittance Transfer:

- Call us at: (888) 221-1161.
- Write us at: PayPal, Attn: Error Resolution Department, P.O. Box 45950, Omaha, NE 68145-0950.
- Log in to your PayPal account at [paypal.com](https://www.paypal.com) and go to the [Resolution Center](#) and dispute a transaction.

You must contact us within 180 days of the date we promised to you that funds would be made available to the recipient. When you do, please tell us:

- Your name, address and telephone number,
- The error or problem with the transfer, and why you believe it is an error or problem,
- The name of the person receiving the funds, and if you know it, his or her telephone number or address,
- The dollar amount of the transfer, and
- The confirmation code or number of the transaction.

We will determine whether an error occurred within 90 days after you contact us and we will correct any error promptly. We will tell you the results within 3 **Business Days** after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of any documents we used in our investigation.

Other Legal Terms

Communications Between You and Us

If you provide us your mobile phone number, you agree that PayPal and its affiliates may contact you at that number using autodialed or prerecorded message calls or text messages to: (i) service your

PayPal branded accounts, (ii) investigate or prevent fraud, or (iii) collect a debt. We will not use autodialed or prerecorded message calls or texts to contact you for marketing purposes unless we receive your prior express written consent. We may share your mobile phone number with service providers with whom we contract to assist us with the activities listed above, but we will not share your mobile phone number with third parties for their own purposes without your consent. You do not have to agree to receive autodialed or prerecorded message calls or texts to your mobile phone number in order to use and enjoy the products and services offered by PayPal. You can decline to receive autodialed or prerecorded message calls or texts to your mobile phone number by updating your preferences in your PayPal account settings at www.paypal.com, by contacting **customer support**, by calling us at 1-844-629-9108, or by replying STOP to a message. The frequency of messages may vary, and standard telephone minute and text charges may apply. Neither we nor your phone carriers are liable for delayed or undelivered messages.

PayPal may communicate with you about your PayPal account and the PayPal services electronically as described in our **Electronic Communications Delivery Policy**. You will be considered to have received a communication from us, if it's delivered electronically, 24 hours after the time we post it to our website or email it to you. You will be considered to have received a communication from us, if it's delivered by mail, 3 **Business Days** after we send it.

Unless you're communicating with us about a matter where we've specified another notice address (for example, our **Liability for Unauthorized Transactions and Other Errors** process), written notices to PayPal must be sent by postal mail to: PayPal, Inc., Attention: Legal Department, 2211 North First Street, San Jose, California 95131.

You understand and agree that, to the extent permitted by law, PayPal may, without further notice or warning, monitor or record telephone conversations you or anyone acting on your behalf has with PayPal or its agents for quality control and training purposes or for our own protection. You acknowledge and understand that while your communications with PayPal may be overheard, monitored, or recorded not all telephone lines or calls may be recorded by PayPal, and PayPal does not guarantee that recordings of any particular telephone calls will be retained or retrievable.

PayPal's Rights

PayPal suspension and termination rights

PayPal, in its sole discretion, reserves the right to suspend or terminate this user agreement, access to or use of its websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or some or all of the PayPal services for any reason and at any time upon notice to you and, upon termination of this user agreement, the payment to you of any unrestricted funds held in your PayPal account.

Security interest

As security for the performance of your obligations under this user agreement, you grant to PayPal a lien on, and security interest in and to, funds held in your PayPal account.

Amounts owed to PayPal

If the balance in your PayPal account becomes negative for any reason, that negative balance represents an amount that you owe to PayPal. PayPal may deduct these amounts from funds that are added to your PayPal account later, either by you or from payments you receive. If you have more than one PayPal account, we may set off a negative balance in one PayPal account against a balance in your other PayPal account(s), including a Balance Account. If you continue using your PayPal account when it has a negative balance, you authorize PayPal to combine the negative balance with any debit or transaction sent from your account when that combination is disclosed to you in advance of initiating the debit or transaction.

If you hold funds in a PayPal account in multiple currencies, and the balance for one of the currencies becomes negative for any reason, PayPal may set off the negative balance by using funds you maintain in a different currency. If you have a negative balance in non-U.S. dollars for a period of 21 days or longer, PayPal will convert this negative balance to U.S. dollars. In either case, a **currency conversion** will be necessary, and PayPal's transaction exchange rate (including our **currency conversion spread**) will be used.

In addition to the above, if you have a past due amount owed to us or our affiliates, PayPal may debit your PayPal account to pay any amounts that are past due. This includes amounts owed by using our various products such as Venmo, Xoom or Braintree.

Insolvency proceedings

If any proceeding by or against you is commenced under any provision of the United States Bankruptcy Code, as amended, or under any other bankruptcy or insolvency law, we'll be entitled to recover all reasonable costs or expenses (including reasonable legal fees and expenses) incurred in connection with the enforcement of this user agreement.

Assumption of rights

If PayPal invalidates and reverses a payment that you made to a recipient (either at your initiative or otherwise), you agree that PayPal assumes your rights against the recipient and third parties related to the payment, and may pursue those rights directly or on your behalf, in PayPal's discretion.

No waiver

Our failure to act with respect to a breach of any of your obligations under this user agreement by you or others does not waive our right to act with respect to subsequent or similar breaches.

Indemnification and Limitation of Liability

In this section, we use the term "PayPal" to refer to PayPal, Inc., our parent PayPal Holdings, Inc., and our affiliates, and each of their respective directors, officers, employees, agents, joint venturers, service providers and suppliers. Our affiliates include each entity that we control, we are controlled by or we are under common control with.

Indemnification

You must indemnify PayPal for actions related to your PayPal account and your use of the PayPal services. You agree to defend, indemnify and hold PayPal harmless from any claim or demand (including reasonable legal fees) made or incurred by any third party due to or arising out of

your breach of this user agreement, your improper use of the PayPal services, your violation of any law or the rights of a third party and/or the actions or inactions of any third party to whom you grant permissions to use your PayPal account or access our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, or any of the PayPal services on your behalf.

Limitation of liability

PayPal's liability is limited with respect to your PayPal account and your use of the PayPal services. In no event shall PayPal be liable for lost profits or any special, incidental or consequential damages (including without limitation damages for loss of data or loss of business) arising out of or in connection with our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, any of the PayPal services, or this user agreement (however arising, including negligence), unless and to the extent prohibited by law.

Our liability to you or any third parties in any circumstance is limited to the actual amount of direct damages. In addition, to the extent permitted by applicable law, PayPal is not liable, and you agree not to hold PayPal responsible, for any damages or losses (including, but not limited to, loss of money, goodwill, or reputation, profits, or other intangible losses or any special, indirect, or consequential damages) resulting directly or indirectly from: (1) your use of, or your inability to use, our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf, or any of the PayPal services; (2) delays or disruptions in our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf and any of the PayPal services; (3) viruses or other malicious software obtained by accessing our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or any of the PayPal services or any website or service linked to our websites, software or any of the PayPal services; (4) glitches, bugs, errors, or inaccuracies of any kind in our websites, software, systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf or any of the PayPal services or in the information and graphics obtained from them; (5) the content, actions, or inactions of third parties; (6) a suspension or other action taken with respect to your PayPal account; or (7) your need to modify your practices, content, or behavior, or your loss of or inability to do business, as a result of changes to this user agreement or PayPal's policies.

Disclaimer of Warranty and Release

No warranty

The PayPal services are provided "as-is" and without any representation or warranty, whether express, implied or statutory. PayPal specifically disclaims any implied warranties of title, merchantability, fitness for a particular purpose and non-infringement.

PayPal does not have any control over the products or services provided by sellers who accept PayPal as a payment method, and PayPal cannot ensure that a buyer or a seller you are dealing with will actually complete the transaction or is authorized to do so. PayPal does not guarantee continuous, uninterrupted or secure access to any part of the PayPal services, and operation of our websites,

software, or systems (including any networks and servers used to provide any of the PayPal services) operated by us or on our behalf may be interfered with by numerous factors outside of our control. PayPal will make reasonable efforts to ensure that requests for electronic debits and credits involving bank accounts, debit cards, credit cards, and check issuances are processed in a timely manner but PayPal makes no representations or warranties regarding the amount of time needed to complete processing because the PayPal services are dependent upon many factors outside of our control, such as delays in the banking system or the U.S. or international mail service. Some states do not allow the disclaimer of implied warranties, so the foregoing disclaimers may not apply to you.

Release of PayPal

If you have a dispute with any other PayPal account holder, you release PayPal from any and all claims, demands and damages (actual and consequential) of every kind and nature, known and unknown, arising out of or in any way connected with such disputes. In entering into this release you expressly waive any protections (whether statutory or otherwise, for example, California Civil Code § 1542) that would otherwise limit the coverage of this release to include only those claims which you may know or suspect to exist in your favor at the time of agreeing to this release.

Agreement to Arbitrate

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 lawsuit 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 user 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.

Agreement to Arbitrate

Our Agreement

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.

Notices of Disputes

Before bringing any dispute or claim, you or PayPal must first send the other party, by certified mail, a completed **Notice of Dispute**. 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 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.

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 or suit in small claims court. A form for initiating arbitration proceedings is available on the American Arbitration Association's website at www.adr.org. The Notice of Dispute requirements are essential in order to give the parties a meaningful chance to resolve disputes informally.

*Prohibition of Class and Representative Actions
and Non-Individualized Relief*

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(s) 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(s) 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 awarded cannot affect other PayPal customers.

Arbitration Procedures

Arbitration is more informal than a lawsuit in court. Arbitration uses a neutral arbitrator or arbitrators 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.

Any arbitration will be administered by the American Arbitration Association (referred to as the "AAA"). For all claims in which the value of the relief sought is \$10,000 U.S. dollars or less, the AAA's Consumer Arbitration Rules, as modified by this Agreement to Arbitrate, shall apply without exception. For all other claims, the AAA's rules, including, as applicable, the AAA's Consumer Arbitration Rules, as modified by this Agreement to Arbitrate, shall apply. The AAA's rules are available at www.adr.org. In the event that the AAA is unavailable to administer

the arbitration, another administrator will be selected by the parties or by the court.

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 hearing is held, you and/or PayPal may attend by telephone or videoconference, unless the arbitrator requires otherwise.

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.

Costs of Arbitration

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 prohibitive. In the event the arbitrator determines that either the substance of your or PayPal's 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.

Severability

With the exception of any of the provisions in the **Prohibition of Class and Representative Actions and Non-Individualized Relief** 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 **Prohibition of Class and Representative Actions and Non-Individualized Relief** 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.

Opt-Out Procedure

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 user 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.

For your convenience, we are providing an **opt-out notice** form you must complete and mail to opt out of 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 the user 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.

Future Amendments to this Agreement to Arbitrate

Notwithstanding any provision in the user 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 www.paypal.com 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.

Intellectual Property

PayPal's trademarks

"PayPal.com," "PayPal," and all logos related to the PayPal services are either trademarks or registered trademarks of PayPal or PayPal's licensors. You may not copy, imitate, modify or use them without PayPal's prior written consent. In addition, all page headers, custom graphics, button icons, and scripts are service marks, trademarks, and/or trade dress of PayPal. You may not copy, imitate, modify or use them without our prior written consent. You may use HTML logos provided by PayPal for the purpose of directing web traffic to the PayPal services. You may not alter, modify or change these HTML logos in any way, use them in a manner that mischaracterizes PayPal or the PayPal services or display them in any manner that implies PayPal's sponsorship or endorsement. All right, title and interest in and to the PayPal websites, any content thereon, the PayPal services, the technology related to the PayPal services, and any and all technology and any content created or derived from any of the foregoing is the exclusive property of PayPal and its licensors.

License grants, generally

If you are using PayPal software such as an API, developer's toolkit or other software application, which may include software provided by or integrated with software, systems or services of our service providers, that you have downloaded or otherwise accessed through a web or mobile platform, then PayPal grants you a revocable, non-exclusive, non-sublicensable, non-transferable, royalty-free limited license to access and/or use PayPal's software in accordance with the documentation accompanying such software. This license grant applies to the software and all updates, upgrades, new versions and replacement software. You may not rent, lease or otherwise transfer your rights in the software to a third party. You must comply with the implementation, access and use requirements contained in all documentation accompanying the PayPal services. If you do not comply with implementation, access and use requirements you will be liable for all resulting damages suffered by you, PayPal and third parties. PayPal may update or discontinue any software upon notice to you. While PayPal may have (1) integrated certain third-party materials and technology into any web or other application, including its software, and/or (2) accessed and used certain third-party materials and technology to facilitate providing you with the PayPal Services, you have not been granted and do not otherwise retain any rights in or to any such third-party materials. You agree not to modify, alter, tamper with, repair, copy, reproduce, adapt, distribute, display, publish, reverse engineer, translate, disassemble, decompile or otherwise attempt to create any source code that is derived from the software or any third-party materials or technology, or otherwise create any derivative works from any of the software or third-party materials or technology. You acknowledge that all rights, title and interest to PayPal's software are owned by PayPal and any third-party materials integrated therein are owned by PayPal's third-party service providers. Any other third-party software application you use on the PayPal websites is subject to the license you agreed to with the third party that provides you with this software. You acknowledge that PayPal does not own, control nor have any responsibility or liability for any such third-party software application you elect to use on any of our websites, software and/or in connection with the PayPal services.

License grant from you to PayPal; intellectual property warranties

PayPal does not claim ownership of the content that you provide, upload, submit or send to PayPal. Nor does PayPal claim ownership of the content you host on third-party websites or applications that use PayPal services to provide payments services related to your content. Subject to the [next](#)

paragraph, when you provide content to PayPal or post content using PayPal services, you grant PayPal (and parties that we work with) a non-exclusive, irrevocable, royalty-free, transferable, and worldwide license to use your content and associated intellectual property and publicity rights to help us improve, operate and promote our current services and develop new ones. PayPal will not compensate you for any of your content. You acknowledge that PayPal's use of your content will not infringe any intellectual property or publicity rights. Further, you acknowledge and warrant that you own or otherwise control all of the rights of the content you provide, and you agree to waive your moral rights and promise not to assert such rights against PayPal.

License grant from sellers to PayPal

Notwithstanding the provisions of the **prior paragraph**, if you are a seller using the PayPal services to accept payments for goods and services, you hereby grant PayPal and its affiliates a worldwide, non-exclusive, transferable, sublicensable (through multiple tiers), and royalty-free, fully paid-up, right to use and display publicly, during the term of this user agreement, your trademark(s) (including but not limited to registered and unregistered trademarks, trade names, service marks, logos, domain names and other designations owned, licensed to or used by you) for the purpose of (1) identifying you as a merchant that accepts a PayPal service as a payment form, and (2) any other use to which you specifically consent.

Miscellaneous

Assignment

You may not transfer or assign any rights or obligations you have under this user agreement without PayPal's prior written consent. PayPal may transfer or assign this user agreement or any right or obligation under this user agreement at any time.

Business Days

"Business Day(s)" means Monday through Friday, excluding holidays when PayPal's offices are not considered open for business in the U.S. Holidays include New Year's Day (January 1), Martin Luther King, Jr.'s Birthday (the third Monday in January), George Washington's Birthday (the third Monday in February), Memorial Day (the last Monday in May), Independence Day (July 4), Labor Day (the first Monday in September), Columbus Day (the second Monday in October), Veterans Day (November 11), Thanksgiving Day (the fourth Thursday in November) and Christmas Day (December 25). If a holiday falls on a Saturday, PayPal observes the holiday on the prior Friday. If the holiday falls on a Sunday, PayPal observes the holiday on the following Monday.

Consumer fraud warning

We're always looking for ways to help keep you even more secure. Fraud is a potential risk, especially when sending money to people or businesses you don't know and trust. If something seems off or you suspect fraud, please don't complete the transaction. If you send money to the wrong person or fall victim to fraud, there is a danger that you may not be able to recover your funds.

Here are some common scams to watch out for:

- **Buyer Scam:** a scammer sends you a fraudulent payment for goods or services. When accepting payments for goods or services, ask the buyer to mark the payment as a goods and services transaction.
- **Accidental Payment:** a scammer sends you a fraudulent payment, claims it was accidental, and asks that you return their money.
- **Phishing:** a scammer sends forged or faked electronic documents or emails falsely claiming to be PayPal or coming from PayPal but asks you to send money outside your PayPal account.
- **Relative in Need:** a scammer impersonates a family member (commonly grandchildren) and claims there is an emergency requiring you to send money.
- **Lottery or Prize:** a scammer informs you that you've won a lottery or prize and must send money in order to claim it.
- **Debt Collection:** a scammer impersonates a debt collector and induces you to send money using threats or intimidation.
- **Employment Related:** a scammer instructs you to send money in connection with a fraudulent offer of employment.

Always use common sense when sending money. If something sounds too good to be true, it probably is. Only send money for yourself and not for others. Be sure to verify the recipient's identity before finalizing a transaction. Please let us know immediately if you believe someone is trying to scam or defraud you by [contacting us](#). Learn more about how to avoid a scam by reading this [FTC article](#).

Once a transaction is complete, there is a danger that your money may not be refunded. Double-check that you're sending money to the right person and that the transaction is legitimate before proceeding.

You have the right to cancel a transaction for a full refund unless your designated recipient has already received the payment. However, since most PayPal payments are received within seconds, you may not be able to cancel your payment for a full refund once the payment is made. To determine whether your payment is eligible for cancellation, log in to PayPal.com, select the transaction in your transaction details, and select Cancel, or call PayPal Customer Service at 888-221-1161.

Dormant accounts

If you do not log in to your PayPal account for two or more years, PayPal may close your PayPal account and send any funds in the PayPal account, including any balance in a linked Balance Account to your primary address (if we have verified the [required identifying information](#) that you have provided to us) or, if required, escheat (send) those funds to your state of residency. PayPal will determine your state of residency based on the state listed in the primary address for your PayPal account. If your address is unknown or registered in a foreign country, the funds in your PayPal account, including any balance in a linked Balance Account will be escheated to the State of Delaware. Where required, PayPal will send you a notice prior to escheating any funds in your PayPal account, including any balance in a linked Balance Account. If you fail to respond to this notice, the funds in

your PayPal account, including any balance in a linked Balance Account will be escheated to the applicable state. If you would like to claim any escheated funds from the applicable state, please contact the applicable state's unclaimed property administrator.

Governing law

You agree that, except to the extent inconsistent with or preempted by federal law and except as otherwise stated in this user agreement, the laws of the State of Delaware, without regard to principles of conflict of laws, will govern this user agreement and any claim or dispute that has arisen or may arise between you and PayPal.

Identity authentication

You authorize PayPal, directly or through third parties, to make any inquiries we consider necessary to verify your identity. This may include:

- asking you for further information, such as your date of birth, a taxpayer identification number, your physical address and other information that will allow us to reasonably identify you;
- requiring you to take steps to confirm ownership of your email address or financial instruments;
- ordering a credit report from a credit reporting agency, or verifying your information against third-party databases or through other sources; or
- requiring you to provide your driver's license or other identifying documents.

Anti-money laundering and counter-terrorism financing laws may require that PayPal verify the **required identifying information** if you use certain PayPal services. PayPal reserves the right to close, suspend, or limit access to your PayPal account and/or the PayPal services in the event that, after reasonable inquiries, we are unable to obtain information about you required to verify your identity.

You authorize your wireless carrier to use or disclose information about your account and your wireless device, if available, to PayPal or its service provider for the duration of your business relationship, solely to help PayPal identify you or your wireless device and to prevent fraud. See our **Privacy Statement** for how we treat your data.

PayPal is only a payment service provider

We act as a payment service provider only. We do not:

- Act as an escrow agent with respect to any funds kept in your account;
- Act as your agent or trustee;
- Enter into a partnership, joint venture, agency or employment relationship with you;
- Guarantee the identity of any buyer or seller;
- Determine if you are liable for any **Taxes**, unless otherwise provided; or

- Unless otherwise expressly set out in this agreement, collect or pay any **Taxes** that may arise from your use of our services.

Assessment of your website

If you integrate or otherwise reference PayPal services on your website, PayPal may use automated technologies (e.g., website crawling) to assess your website and collect any publicly accessible or available data to ensure compliance with this agreement and to combat malicious or fraudulent activity.

In connection with such technologies, PayPal will not collect any of your customer personal data. However, there may be times we collect personal data about you that you publish on your websites. Such personal data shall be processed for the purposes described in this section and shall be subject to our **Privacy Statement**.

Privacy

Protecting your privacy is very important to us. Please review our **Privacy Statement** in order to better understand our commitment to maintaining your privacy, as well as our use and disclosure of your information.

State disclosures

In addition to reporting complaints against PayPal directly to PayPal as described above, if you are a California resident, you may report complaints to the Department of Financial Protection & Innovation by mail at Department of Financial Protection & Innovation, Attn: Consumer Services, 1515 K Street, Suite 200, Sacramento, CA 95814 or online through its website at <https://dfpi.ca.gov/file-a-complaint/>. The Department of Financial Protection & Innovation offers assistance with its complaint form by phone at 866-275-2677. If you are a California resident, you have a right to receive communications about your PayPal account and the PayPal services by email. To make such a request, send a letter to PayPal to: PayPal, Inc., Attention: Legal Department, 2211 North First Street, San Jose, California 95131), include your email address, and your request for that information by email.

Florida residents may contact the Florida Department of Financial Services in writing at 200 East Gaines Street, Tallahassee, Florida, 32399, or by telephone at 1-800-342-2762.

Translation of agreement

Any translation of this user agreement is provided solely for your convenience and is not intended to modify the terms of this user agreement. In the event of a conflict between the English version of this user agreement and a version in a language other than English, the English version shall control.

Unlawful internet gambling notice

Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through your PayPal account or your relationship with PayPal. Restricted transactions generally include, but are not limited to, transactions in which credit, electronic fund transfers,

checks, or drafts are knowingly accepted by gambling businesses in connection with unlawful Internet gambling.

Your use (as a seller) of personal data; Data protection laws

To the extent that you, in your capacity as a seller and/or using a business profile, 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 provided to you by PayPal in connection with the PayPal services, excluding personal data collected or obtained by you directly from the customer, will be used by you only to the limited extent that is necessary and relevant to the PayPal services and for no other purpose, including marketing purposes, unless you have obtained the prior consent of the customer. You represent, warrant, and covenant that you will provide and/or obtain all necessary disclosures and consents, as applicable, in connection with your data collection and sharing practices with PayPal. You may not disclose or distribute any customer personal data provided to you by PayPal to a third party, unless such third party is your service provider and acting on your behalf (as defined by applicable law).