

## **Key Payment and Service Information**

### **What is PayPal?**

- PayPal enables individuals and businesses to send and receive electronic money online. It also provides other financial and non-financial services closely related to online payments. These services are collectively referred to hereafter as the “Service”
- You can use the Service to make single or “one-off” payments or you can open an account with us which will allow you to make regular payments
- PayPal does not provide credit and/or escrow services

### **Who provides the Service?**

- The Service is provided by PayPal (Europe) S.à r.l. & Cie, S.C.A. to registered users in the European Union (each a “User”)
- PayPal (R.C.S. Luxembourg B 118 349) is duly licensed as a Luxembourg credit institution in the sense of Article 2 of the law of 5 April 1993 on the financial sector as amended (the “Law”) and is under the prudential supervision of the Luxembourg supervisory authority, the *Commission de Surveillance du Secteur Financier*.

### **Single or “one-off” payments**

- If you use the Service to make a single payment, we will provide you with information relating to that payment both before and after you instruct us to make the payment
- This information will be made available to you:
  - On the web-pages we show you before your payment is executed
  - In any email we may send you, and
  - In this notice of “Key Payment and Service Information”.
- We do not charge you to send a single payment via the Service (although a charge may be levied if your payment involves a currency conversion or is levied by another person, for example via your credit card company)
- The information that you must provide us to make a single payment will include your credit or debit card details and other information which will be set out on the web pages where you instruct us to make the payment
- The payment will be executed within 3 business days after you give us your payment instruction. If the person you are sending your payment to instructs us that they wish to settle your payment at a later time, we will execute your payment order when they inform us.

## **Opening a PayPal account**

- The Service allows individuals and businesses to open an account maintained by PayPal (an “account”)
- To be eligible for an account, a User must:
  - o Either be an individual (at least 18 years old) or a business that is able to form a legally binding contract; and
  - o Have satisfactorily completed our sign-up process
- As part of our sign-up process, a User must:
  - o Register an email address, which will also act as their ‘User ID’; and
  - o Agree to our privacy policy and the terms and conditions of our user agreement, including the policy documents incorporated within it (the “User Agreement”)
- Each User must create a password, which together with their User ID (email address), allows a User to access their account and use the Service
- As part of the sign-up process, a User may also submit details of the source(s) with which they wish to fund their PayPal account (e.g., details of the User’s bank account, debit card or credit card). This is the “funding source”.

## **Types of account**

- The Service offers three types of account:
  - o Personal account
  - o Premier account, and
  - o Business account
- Each type of account has different features, including, without limitation, different sending and receiving limits. Also, depending on a payment’s funding source(s), an account may or may not be able to accept a certain type of payment
- Personal accounts are primarily intended for Users who simply wish to send payments.

## **Funding an account**

- To fund an account, a User must either:
  - o Purchase electronic money from us via their funding source(s). In practice, this means that each time a User requests PayPal to send money, PayPal simultaneously debits the chosen amount from the User’s default funding source (PayPal balance, bank account, debit card or credit card). PayPal then sends this online payment to the intended recipient; or
  - o Accept an online payment that has been issued by us and sent from another PayPal User
- A User’s account balance represents the amount of electronic money issued by us (whether it is sent to the User by a third party or purchased directly from us)

## **Sending payments**

- To send a payment to a third party via the Service, a User usually provides the email address of the intended recipient (the “recipient”). By doing so, the User sending the payment (the “sender”) instructs us to transfer electronic money from their PayPal account to the account of the recipient. If the payment is accepted by the recipient, we complete the transfer
- Each new account is provided with an initial limit on the amount of funds a User is able to send. To increase the “sending limit”, a User must verify the information provided to us in connection with their account. Some accounts, at our discretion, may have a lower limit before verification is required. In addition, some transactions, at our discretion, may not apply for a revised increase in sending limit. The type of information required for this verification process varies depending on the jurisdiction in which the User resides and the type of account they hold
- A User is able to send a payment in a variety of currencies, including: Pound Sterling, Euro, US Dollar, Canadian Dollar, Yen, Australian Dollar, Swiss Franc, Norwegian Krone, Swedish Krone, Danish Krone, Polish Zloty, Hungarian Forint, Czech Koruna, Singapore Dollar, Hong Kong Dollar, New Zealand Dollar, Israeli Shekel, Mexican Peso, Argentine Peso, Brazilian Real, Philippine Peso, Thai Baht and Taiwan New Dollar.

## **Receiving payments**

- A User is able to receive a payment via the Service by accepting a payment from another User
- The recipient is able to return payments or, in some cases, use the Service to refuse payments that have been sent by another User

## **Risk of chargeback or reversal of a payment**

- If a sender does not comply with the Seller Protection Policy (see below), and a payment made by the sender is associated with a transaction which is subject to a chargeback or reversed for any reason, the recipient, and not us, will be liable for the amount of that payment received together with any fees imposed on us as a result of the chargeback or reversal
- We are not a party, nor do we control the outcome of a chargeback decision and the User must accept the decision of the issuing bank as final and legally binding in connection with a chargeback dispute.

## **Seller Protection Policy**

- Under certain circumstances, we will not hold the seller of goods who receives a payment via the Service liable if the buyer of the goods (i.e. the person sending the payment) claims that their transaction was unauthorised
- This policy applies when the payment is listed as eligible on the User's Transaction Details page. In addition, there are other conditions relevant to whether this policy will comply, including:
  - o The type of goods purchased;
  - o The residence of the buyer and seller;
  - o The postal address to which the seller sends the goods;
  - o Evidence of the postal method used;
  - o The time at which the goods were sent following receipt of payment;
  - o The number of accounts from which payment was made;
  - o The co-operation of the seller; and

## **No liability for unauthorised use of an account**

- While we are not generally liable for a User's access to, and use of the Service, we will not hold our Users liable for any unauthorised use of their account by any third person, provided that we are satisfied that the User has not acted deliberately so as to enable any third person to gain access to their user ID and/or password

## **Withdrawing funds (redeeming electronic money)**

- A User with an account that has a credit balance may instruct us at any time to withdraw funds from their account. By doing so, a User can redeem all or part of the electronic money represented by that balance to their registered bank account or if applicable, credit card. In some countries, if a User wishes to withdraw funds from their account in an amount less than a certain threshold limit, a fee will be charged to cover our costs in carrying out the withdrawal
- Under normal circumstances, we will complete the withdrawal from a User's account within 3 business days following the completion of any checks that are reasonably required by us to prevent money laundering, fraud or to confirm the identity of the User
- The balance held on an account remains valid regardless of how long it has been held in the account

**Fees**

- There is no fee for sending money via the Service (except if a currency conversion is required, or the payment is sent via our MassPay service or if a sender wishes to pay the fee for sending a “person to person” payment)
- Fees are charged under certain circumstances to:
  - o Cover our costs to carrying out the withdrawal of funds (in some countries);
  - o Receive funds (e.g., depending on the type of account, the location of the sender);
  - o Convert currencies;
  - o Receive a reversed transaction;
  - o Verify account information (although all fees charged in connection with verifying an account are refunded); and/or
  - o Receive information as to why a payment order may have been refused by us
  - o Opt in to a variety of other optional services offered

**Closing or restricting use of an account**

- Either we or a User may close an account at any time and as such, there is no period of time prescribed by us which permits a User to close their account
- We may also limit the User’s access to, or functions of, their account under certain circumstances

**Prohibiting or restricting activities**

- We do not allow the Service to be used for the processing of payments associated with illegal activities or other types of activities which may be prohibited in accordance with our Acceptable Use Policy
- We may also restrict your use of the PayPal service and/or refuse to carry out your payment order if this would amount to a restricted activity as set out in our User Agreement.

**PayPal Buyer Protection Policy and Buyer Complaint Policy**

- Our Buyer Protection Policy assists buyers of goods who send payments via the Service to recover a certain amount of funds from sellers who list on eBay
- It applies when the abovementioned sellers, under certain circumstances, do not send the promised goods, or deliver goods which are 'significantly not-as described' in their listings
- Further, under our Buyer Complaint Policy, we will under certain circumstances attempt to assist buyers of goods who send payments via the Service to recover funds from sellers who do not send the promised goods. The Buyer Complaint Policy applies to purchases not made on eBay.

**Resolving disputes**

- We will attempt to resolve any dispute relating to the provision of the Service or to the Agreement via our customer service centre
- Where we cannot resolve a dispute, a User may either complain to the UK Financial Ombudsman Service following completion of our internal dispute resolution process or sue us in the courts of England and Wales (or your local Court if you are a consumer). You may also complain to the European Consumer Centre (ECC-Net). You may obtain further information regarding the ECC-Net and how to contact them at ([http://ec.europa.eu/consumers/redress\\_cons/](http://ec.europa.eu/consumers/redress_cons/)) You may access and obtain information regarding the Financial Ombudsman Service at <http://www.financial-ombudsman.org.uk>. You may also refer an unresolved dispute in writing to our regulator, the CSSF at the following postal address: Commission de Surveillance du Secteur Financier (CSSF) 110, Route d'Arlon L-2991 Luxembourg.

**Legal relationship**

- The legal relationship with our Users is interpreted according to the laws of England and Wales

**Disclaimer.** The above description of the Service is intended as a summary only. It does not include all definitions, exclusions, terms and conditions relating to the Service. Monetary amounts referred to in this description may be amended from time to time. Some of the characteristics set out above may not be available to all Users. The full terms and conditions are set out in the User Agreement that can be accessed from the footer of any page on the PayPal website. This summary does not form part of the User Agreement.