

PAYPAL USER AGREEMENT

Last updated on January 13, 2025

About Your Account

Welcome to PayPal!

This user agreement is a contract between you and PayPal Payments Private Limited ("PayPal"), a company under the laws of India, governing your use of your PayPal account and the PayPal services. If you are an individual, you must be a resident of India and at least 18 years old to open a PayPal account and use the PayPal Services. If you are a business, the business must be organized in, operating in, or a resident of, India to open a PayPal account and use the PayPal Services. By opening and using a PayPal account, you agree to comply with all terms and conditions in this user agreement, including that you are the beneficial owner of the PayPal account, and conduct business only on behalf of yourself.

You also agree to comply with the following additional policies and each of the other agreements on the [Legal Agreements](#) page that apply to you:

- [Acceptable Use Policy](#)

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

We may amend this user agreement and any of the policies listed above 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 post a notice on the [Policy Updates](#) page of our website and provide notice to you of at least 14 days. If you do not agree to the revised terms and conditions, you must stop using the PayPal services, close your account, and terminate your relationship with us without cost or penalty. This user agreement will continue to apply to your previous use of our services. By continuing to use our services after any changes to this user agreement or any of the other applicable terms, agreements, or policies listed above, you agree to abide and be bound by those changes.

About our main business

PayPal is a payment services provider in India. Our services allow you to send payments to anyone with a PayPal account.

Not all PayPal services may be available to you and PayPal may at its discretion withdraw any service to you without notice. PayPal offers the following services in India:

- **Export Payment Services** which allows you to receive payments from buyers for the export of

goods and services outside India.

PayPal acts as an intermediary for receipt of funds from buyers by sellers and does not act as a repository or custodian with respect to such funds. For Export Payment Services, PayPal is only responsible for depositing the export proceeds with the authorised dealer bank.

In this user agreement, "PayPal Service" means the payment gateway processing services offered by PayPal to its users who are resident in India to facilitate receipt of payments from an offshore buyer for credit into their bank accounts.

Opening an Account

We offer two types of accounts: personal accounts and business accounts.

All PayPal accounts let you do things like:

- Buy things online or using mobile devices.
- Make payments using your credit card or debit card.
- Accept credit card, debit card, bank account or other payment methods from others.

To receive payments, you must link a bank account to your PayPal account and provide other information as may be required to verify and authenticate your bank account and activate the PayPal Service.

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 primarily need to make purchases, a personal account is probably right for you. With a personal account you can buy goods and services from sellers.

You can also use a personal account to receive money for the sale of goods and services, but if you plan to use your PayPal account primarily to sell things, you should consider a business account. You can convert your PayPal account from a personal account to a business account should circumstances change.

Business accounts

We recommend business PayPal accounts for people and organizations that primarily use PayPal to sell goods or services, even if your business is not incorporated.

With a business PayPal account, you can do things like:

- Use a company or business name as the name on your business PayPal account.
- Allow employees access to some of the features of your business PayPal account.
- Sign up for [PayPal products](#) that meet your business needs.

Business accounts may be subject to different fees than those applicable to personal accounts.

By opening up a business PayPal account or converting a personal PayPal account to a business PayPal account you certify to us that you are using it primarily for a business or commercial purpose. You also consent to PayPal obtaining your personal and/or business credit report from a credit reporting agency, in accordance with and subject to applicable law, at account opening or conversion and whenever we reasonably believe there may be an increased level of risk associated with your business PayPal account.

Closing Your PayPal Account

You may close your 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.

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.

Any funds we are holding for you at the time of closure of your PayPal account, less any fees, will be paid to you at our discretion by direct deposit to your linked bank account.

Link or Unlink a Payment Method

You can link or unlink a credit card, debit card to your PayPal account as a payment method. Please keep your payment method information current (i.e. 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 card information, you may remove your payment method from your PayPal account. If we update your payment method, we will keep any preference setting attached to such payment method.

Managing Your Funds in Multiple Currencies

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 fee applied and retained by us on a base exchange rate to form the rate applicable to your conversion. The base exchange rate is based on rates within the wholesale currency markets on the conversion day or the prior Business Day; or, if required by law or regulation, set at the relevant government reference rate(s).

For some uses of your PayPal accounts, PayPal may determine currency conversion is necessary. The currency conversion fee applicable can be found on our [Fees page](#) under the heading Currency conversion fees.

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 and which could be more favorable or less favorable to you.

Currency conversion choices

When your payment is funded by a credit card or debit card and PayPal determines a currency conversion is necessary, you consent to and authorise 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, among others, and may be made available individually for each card. If your card issuer converts the currency, your card issuer will determine the currency conversion rate and what fees they may charge.

Taxes and Information Reporting

General information

Our 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.

If you determine that you are legally required to comply with the Tax Deducted at Source (TDS) provisions under the Income Tax Act in India, please refer to our [guidance](#) on how you can seek reimbursement for the TDS deposited with the relevant tax authorities in the name of PayPal.

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.

If PayPal is required to withhold Taxes on amounts payable to you, PayPal will notify you beforehand and will withhold such amounts as legally required. You acknowledge that PayPal reserves the right to recover the withholding taxes from you in the event the amount of such Taxes cannot be withheld or deducted from the amounts payable to you for the sale of your goods or services.

If you are a merchant registered under the India goods and services tax ("GST") regime, it is your responsibility to provide the correct GST number and GST certificate to PayPal, and to verify the details in the tax invoice issued by PayPal.

It is also your responsibility to verify that the GST credit is correctly populated in your GSTR 2B Input Tax Credit (ITC) statement. You agree to communicate to PayPal any error in the GSTR 2B ITC statement, along with supporting documents, within 60 days from the date the statement is issued.

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 reserves the right to 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 provide 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.

SENDING MONEY AND BUYING

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

How to buy something

You can buy something from a seller who accepts PayPal, in any currency that the seller accepts and that PayPal supports, using any [payment method](#) linked to your PayPal account. This includes, for example:

- Buying 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.

If the seller you are buying 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 buy something. In addition, payment methods may be limited for certain sellers or if you make a PayPal payment through certain third-party websites or applications.

When you authorise 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 authorisation 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 authorisation for a period of time until they release the hold or receive a completed transaction. If your payment requires a currency conversion by us, the transaction exchange rate will be determined and applied as described in the [How we convert currency](#) section and may be the rate at the time the payment is processed.

Fees

When you buy something from a seller who accepts PayPal, you don't pay a fee to PayPal. If PayPal performs a currency conversion for your purchase, PayPal's transaction exchange rate (including our [currency conversion fee](#)) will be used.

Your credit or debit card issuer may also charge you separate fees.

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.

Refunds

When you buy 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 credit card or debit card.

If PayPal performed a 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 our [currency conversion fee](#)) 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 our [currency conversion fee](#)) on the date of the refund will apply.

You will be refunded in Indian Rupees if we are unable to refund in the currency you paid originally.

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 [paypal.in](#) or in

the PayPal app. 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 with a seller.

If you have chosen a preferred payment method, it will be shown as the primary method of payment. If you have not chosen a preferred payment method, it's still your choice.

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 selected a preferred payment method, or your preferred payment method is unavailable, we will show you available payment methods, including the payment method you used most often or most recently, at the time of transaction. You can also click on the "Manage" link to 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 funding method be used in the event that your selected or preferred payment method is unavailable. In those instances, the backup funding method may be displayed to you on your transaction review page, before you complete the transaction. Note that this only applies for one-time online transactions. 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.

PayPal's Buyer Protection Program

When you buy something from a seller who accepts PayPal, you may be eligible for a refund under PayPal's Buyer Protection program. When applicable, PayPal's Buyer Protection program entitles you to reimbursement 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 qualifies for the Buyer Protection program. PayPal's original determination is considered final, but you may be able to file an appeal of the decision with PayPal if you have new or compelling information not available at the time of the original determination or you believe there was an error in the decision-making process.

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

Selling and Accepting Payments

Accepting Payments From Buyers for Goods and Services

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

You must treat PayPal payment methods or marks at least on par with any other payment methods offered at your points of sale, wherever PayPal's 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's services or marks.

In representations to your customers or in public communications, you must not mischaracterize any PayPal service as a payment method or exhibit a preference for other payment methods over any PayPal service. Within all of your points of sale, you agree not to try to dissuade or inhibit your customers from using PayPal or encourage the customer to use an alternate payment method. If you enable your customers to pay you with PayPal, 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 services payment marks at least as prominently, and in at least as positive a manner, as you do for all other payment methods.

Seller roles and responsibility

- You are responsible for ensuring that, prior to accepting any instructions from the buyer, you have published conspicuously, and the buyer has agreed to an appropriate cancellation policy, a returns and refund policy, a privacy policy, disclosures/disclaimers, terms of use pertaining to your site, and the terms of the goods and services provided by you (collectively "Seller Terms and Conditions"). PayPal reserves the right to inspect the Seller Terms and Conditions at any time. You will take all measures as may be required to resolve any buyer's complaints at your sole cost and expenses as may be prescribed in accordance with applicable laws and regulations, and provide whatever assistance necessary to assist the banks, card networks and PayPal. You are responsible for compiling and retaining records of all transactions and other data, and reconciling all transaction information that is associated with your customers.
- If you accept credit or debit card payments, you must meet payment card security compliance standards and obtain certifications including PCI DSS certification and Payment Application-Data Security Standard (PA-DSS). PayPal reserves the right to inspect the PCI DSS and such security standard certifications at any time.

You must not save customer card details and such related data. You must permit authorised

representatives of PayPal, banks and / regulator to carry out a security audit to check compliance, as and when required.

- You will ensure the confidentiality of all information submitted by your customers to you. You must not require or ask your customer to disclose any confidential or personal data, which may be prejudicial to interests of your customer. You will use the customer data only for the purpose of completing the transaction for which it was furnished, and must not sell or otherwise furnish such information to any third party. You will be liable to comply with existing data privacy regulations as amended from time to time.
- You must permit authorised representatives of PayPal, banks and/or regulators to check and audit your records and statements to ensure your compliance with the obligations under this user agreement at such intervals or times as PayPal, banks and/or regulators may deem fit. On receipt of a reasonable notice, you must provide access to and make available to the authorised representatives of PayPal, banks and/or regulators the necessary records and co-operate to the fullest extent.

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 Seller Protection coverage if they meet the PayPal Seller Protection requirements. We will notify you by email and/or through your PayPal account.

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.

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.

Transaction Fees for Online Payments

Standard transactions fees

Your PayPal transaction fees depend on:

- the country of the buyer's account or the currency of their card.

The fees you pay when selling goods or services, where the buyer pays using their PayPal account or other authorised wallet, can be found on the [Merchant Services Fees table](#). Please note that:

- We may adjust the fees applicable to future transactions that you process using PayPal. We will provide you at least 14 days' advance notice of any fee increase or the introduction of a new type of fee.
- If you accept payments using a PayPal product (the fees applicable to those products will apply to your transactions).

Micropayments Fees

You may qualify to receive micropayments pricing for the sale of goods and services through your PayPal account, if your transactions typically average less than \$10. In order to qualify, you must have a PayPal account that is in good standing (for example, no limitations or negative balance in your PayPal account), you must submit an application and have it approved by us.

If your PayPal account is approved to accept micropayments, then the fees found on the [Micropayment Fees table](#) will apply to all transactions for the sale of goods or services processed through your PayPal account, instead of [Merchant Services Fees](#). If you have multiple PayPal accounts, you must route your micropayments transactions through the appropriate account. Once a transaction is processed, PayPal will not re-route the transaction through a different account.

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 [Dispute fee](#)). Whenever a transaction is refunded or otherwise reversed, PayPal will refund or reverse the transaction from your PayPal account in the same currency as the original transaction to the original payment method used for the transaction. PayPal may perform a currency conversion in order to refund or reverse the transaction. PayPal's transaction exchange rate

(including our [currency conversion fee](#)) at the time the refund or reversal is processed will be used.

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 Buyer 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.
- Your buyer pursues a chargeback related to a card-funded transaction and the transaction is not eligible for [PayPal Seller Protection](#). 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 unauthorised.
- 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 transaction exchange rate (including our [currency conversion fee](#)) that applies at the time the refund or reversal is processed. If your PayPal account doesn't cover the payment amount due plus the fees this will result in a negative balance in your PayPal account. A negative balance represents an amount that you owe to us, and, in this situation, you must immediately take steps to resolve it. If you don't, PayPal may:

- engage in collection efforts to recover the amount due from you;
- take any and 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, Holds & Other Actions We May Take](#).

Dispute Fee

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 the fee charged will be in your primary holding currency. The **Dispute fee** will be deducted from your PayPal account in the month 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 the total transaction amount 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.

If your disputes 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**.
- In compliance with **PayPal's Seller Protection** program and you have met all requirements.
- 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 Fee** 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.

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.

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.

Impact of various Buyer Protection processes on sellers

You should read and understand [PayPal's Buyer Protection](#) program and if you sell goods and services to buyers with PayPal accounts in countries other than your own, you should also be familiar with the buyer protection available to buyers in each of those countries. Buyers' rights under these programs may impact you as a seller. You can find this information for PayPal's programs on the [Legal Agreements](#) page by selecting your buyer's location at the top of the page and referring to the applicable user agreement for that geography.

If you lose a claim under PayPal's Buyer Protection program in any country:

- 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 Buyer Protection claim will only be considered fully resolved if:
 - the refund to a buyer is processed through PayPal, 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 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 coverage under [PayPal's Seller Protection program](#). When it applies, [PayPal's Seller Protection program](#) entitles you to retain the full purchase amount. PayPal determines, in its sole discretion, whether your claim is eligible for [PayPal's Seller Protection program](#). There is no limit on the number of payments for which you can receive coverage. By accessing the transaction details page in your PayPal account you can see your transactions that may be eligible for protection under this program.

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

Restricted Activities, Holds & 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 will not:

- Breach this user agreement, the PayPal [Acceptable Use Policy](#), 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; or;
- 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 unauthorised 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; or 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;
- Abuse of our online dispute resolution process and/or PayPal's Buyer Protection and/or PayPal's Seller Protection program.
- Use the Export Payment Services for exporting a product or service having a value of more than USD 10,000 per transaction.

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:

- Terminate this user agreement, limit your PayPal account, and/or close or suspend your PayPal account, immediately and without penalty to us;
- Refuse to provide the PayPal Services to you in the future;
- Limit 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;
- Hold your funds 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](#);
- Suspend your eligibility for PayPal's Buyer 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
- Contact 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;
- Update inaccurate information you provided us;

- Take legal action against you;
- If you've violated our [Acceptable Use Policy](#), then you're also responsible for damages to PayPal caused by your violation of this policy
- If you are a seller and receive funds for transactions that violate the Acceptable Use Policy and said violation is associated with fraud or the sale of goods that are counterfeit or otherwise infringe on intellectual property rights, then in addition to being subject to the above actions you will be liable to PayPal for the amount of PayPal's damages caused by said violation. You acknowledge and agree that \$2,500.00 USD (or other currency equivalent) per violation is presently a reasonable minimum estimate of PayPal's actual damages – including, but not limited to, internal administrative costs incurred by PayPal to monitor and track violations, damage to PayPal's brand and reputation, and penalties imposed upon PayPal by its business partners resulting from said violation associated with fraud or the sale of goods that are counterfeit or otherwise infringe on intellectual property rights – considering all currently existing circumstances, including the relationship of the sum to the range of harm to PayPal that reasonably could be anticipated because, due to the nature of the violation, actual damages would be impractical or extremely difficult to calculate. PayPal may deduct such damages directly from any existing balance in any PayPal account you control; or
- 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.

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 your PayPal 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.

As required under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (as amended from time to time), you shall not use the PayPal account or the PayPal Services to undertake any of the following actions or to host, display, upload, modify, publish, distribute, disseminate, transmit, store, update or share any information that:

- belongs to another person to which you do not have any right;
- is obscene, pornographic, paedophilic, invasive of another's privacy, including bodily privacy, insulting or harassing on the basis of gender, racially, ethnically objectionable, relating or encouraging money laundering or gambling, or promoting enmity between different groups on the grounds of religion or caste with the intent to incite violence;

- harms minors in any way;
- Infringes any intellectual property in any manner;
- threatens the unity, integrity, defence, security or sovereignty of India, friendly relations with foreign states, or public order, or causes incitement to the commission of any cognizable offence, or prevents the investigation of any offence or insults any other nation.
- deceives or misleads the addressee about the origin of the message or knowingly and intentionally communicates any misinformation or information which is patently false and untrue or misleading in nature;
- contains software viruses or any other similar software or programs that is designed to interrupt, destroy or that may limit the functionality of any computer source;
- impersonate any other person;
- violates any law for the time being in force

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, subject to, and in accordance with, applicable law. 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 Centre](#) or follow the instructions in our email notice with respect to the limitation, hold or reserve.

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 modelling 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. 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 applicable law or any 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 prevent you from completing certain actions with your PayPal account, such as withdrawing, sending or receiving money. These limitations are implemented to help protect PayPal, 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 unauthorised transfers.
- In order to comply with applicable law.
- If we reasonably believe 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, or if your typical sales volume increases rapidly.

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

We may place a reserve on your PayPal account if we believe there may be a high level of risk associated with you, your PayPal account, your business model, or your transactions. When we place a reserve on your PayPal account, it means that all or some portion of the money in your PayPal 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 PayPal 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 PayPal 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 funds that you're required to keep available in the balance of your PayPal 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.

In respect of the Export Payment Services, PayPal shall be entitled to deduct the reserve amount from the sale price of the goods or services (including any shipping fee, taxes, costs or other expenses) and deposit the same with the authorised dealer bank.

In case the offshore buyer notifies PayPal that you have failed to discharge your obligations under the terms of the sale contract between you and the offshore buyer, PayPal shall be entitled, in its sole and absolute discretion, to remit the charge back to the offshore buyer out of the reserve amount after verifying the offshore buyers' claim.

You shall be entitled to receive either the reserve amount or, if a charge back has been made as per this section, the balance thereof, after expiry of a period of 180 days of receipt of the export proceeds.

Court Orders, Regulatory Requirements or Other Legal

Process

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.

UNAUTHORISED TRANSACTIONS & OTHER ERRORS

Protection from Unauthorised Transactions

To protect yourself from unauthorised 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 authorised and accurately completed.

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

What is an Unauthorised Transaction

An "Unauthorised Transaction" occurs when money is sent from your PayPal account that you did not authorise and that did not benefit you. For example, if someone steals your password, uses the password to access your PayPal account, and sends a payment from your PayPal account, an Unauthorised Transaction has occurred.

What is not considered an Unauthorised Transaction

The following are NOT considered Unauthorised Transactions:

- 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](#).

Reporting an Unauthorised Transaction

If you believe your PayPal login information has been lost or stolen, please contact [PayPal customer](#)

[service](#) immediately.

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. If you tell us within 60 days after we provide you your PayPal account statement showing transfers you did not make, you will be eligible for 100% protection for Unauthorised Transactions. If a good reason (such as a long trip or a hospital stay) kept you from telling us before 60 days expires, we may extend the eligible time period.

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.

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](#).
- [Refunds, Reversals and Chargebacks](#).

In case of Errors or questions about your electronic transfers

Contact us at our [Resolution Centre](#); or write to us at Legal Department, PayPal Payments Private Limited, Godrej BKC – Unit No. 4, 3rd floor, Plot C – 68, G – Block, CTS no – 4207, Bandra Kurla complex Bandra East, Mumbai, Maharashtra 400051

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).

OTHER LEGAL TERMS

Communications Between You and Us

You agree that PayPal and its affiliates may contact you by email for marketing purposes. You may opt-out of receiving marketing communications when you open a PayPal account, by changing your account preferences on [paypal.in](#) or by clicking on the unsubscribe link in any PayPal email or receipt you receive from us. Please allow up to 10 [Business Days](#) for the opt-out to take effect. We will provide factual information about your account or the PayPal Services, even if you have opted-out of receiving marketing communications.

If you provide us your mobile phone number, you agree that PayPal and its affiliates may contact you at that number using autodialed or pre-recorded message calls or text messages to: (i) service your PayPal branded accounts, (ii) market PayPal Products and Services, (iii) investigate or prevent fraud, or (iv) 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 on [paypal.in](https://www.paypal.in). or by contacting **customer support**. 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. 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 Unauthorised Transactions and Other Errors](#). process), written notices to PayPal must be sent by postal mail to: PayPal Payments Private Limited, India, Legal Department, PayPal Payments Private Limited, Godrej BKC – Unit No. 4, 3rd floor, Plot C – 68, G – Block, CTS no – 4207, Bandra Kurla complex, Bandra East, Mumbai, Maharashtra 400051

You acknowledge and agree that PayPal may share the information provided by you and the terms of the agreement between you and PayPal with the Authorised Dealer Bank or Reserve Bank of India (“RBI”) in order to enable the Authorised Dealer Bank to conduct the requisite due diligence in accordance with the Authorised Dealer Bank’s Know-your-customer (KYC) obligations.

You may be required to submit certain documents that may include, without limitation, KYC documents, tax and other registration certificates, financial information and such further information, documents, declarations in a form and manner acceptable to PayPal, as PayPal may request from time to time.

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 any unrestricted funds reflecting against your PayPal account will be paid to you.

Amounts owed to PayPal

If 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 from payments you receive. If you have more than one PayPal account, we may set off a negative balance in one PayPal account against another PayPal account(s). If you continue using your PayPal account when it has a negative balance, you authorise 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.

Insolvency proceedings

If any proceeding by or against you is commenced under any provision of the Insolvency and Bankruptcy Code, 2016, as amended, modified or replaced from time to time, or under any other bankruptcy or insolvency law for the time being in force, 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 Payments Private Ltd., our parent PayPal Holdings, Inc., and our affiliates, and each of their respective directors, officers, employees, agents, joint ventures, 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 authorised 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 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 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.

Disputes with PayPal

Contact PayPal First

If a dispute arises between you and PayPal, acting as either a buyer or a seller, 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 services may be reported to [PayPal Customer Service](#) or [Resolution Center](#).

Arbitration

For any claim (excluding claims for injunctive or other equitable relief) where the total amount of the award sought is less than ₹700,000 (or other currency equivalents), you may elect to resolve the dispute in a cost-effective manner through binding non-appearance-based arbitration. If you elect arbitration, you will initiate such arbitration through an established alternative dispute resolution ("ADR") provider mutually agreed upon by you and us. The ADR provider and the parties must comply with the following rules: (a) the arbitration shall be conducted by telephone, online and/or be

solely based on written submissions, the specific manner shall be chosen by you; (b) the arbitration shall not involve any personal appearance by the parties or witnesses unless otherwise mutually agreed by the parties; and (c) any judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction.

Intellectual Property

PayPal's trademarks

"PayPal.com," "PayPal.in", "PayPal," "PayPal India" 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

Nature of PayPal's Business

PayPal offers payment gateway processing services, under the regulations of the RBI, which are meant exclusively for facilitating online receipt by you of payments made by the buyers. For **Export Payment Services**, PayPal acts as an online payment gateway service provider to facilitate cross-border export-related transactions. This business operates under the RBI regulation for Online Payment Gateway Service Provider RBI/2015-16/185 A.P. (DIR Series) Circular No.16.

For clarity, the term "PayPal account" in this agreement, does not refer to a bank account PayPal is not a bank in India and the PayPal Services offered in India are not stored-value services. PayPal does

not have license to operate as a bank under the *Banking Regulation Act, 1949*. PayPal does 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;
- Have control over, and is not responsible or liable for, the products or services that are paid for with the PayPal Services;
- Guarantee the identity of any buyer or seller;
- Guarantee that a buyer or seller will complete a transaction;

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 India.

Dormant accounts

If you do not log in to your PayPal account for two or more years, PayPal may close your PayPal account.

Governing law and jurisdiction

This Agreement is governed by the laws of India. In the event of a dispute, the courts in Mumbai shall have jurisdiction.

Identity authentication

You authorise 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, your physical address and other information that will allow us to reasonably identify you.
- Asking you for data of your directors, your authorised personnel, as well as any partner, persons with significant control over your business or beneficial owners.
- Requiring you to take steps to confirm ownership of your email address or financial instrument.
- Subject to applicable law, ordering a credit report from a credit reporting agency or verifying your

information against third-party databases or through other sources.

- Requiring you to provide your driver's license or other identifying documents, including copies of your passport; permanent account number card; voter's identification card issued by the Election Commission of India; job card issued by MGNREGA, duly signed by an officer of the government; proof of possession of Aadhaar number; letter issued by the National Population Register, containing details of name and address) we consider acceptable.

Anti-money laundering and counter-terrorism financing laws may require that PayPal verify certain 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 enquiries, we are unable to obtain information about you required to verify your identity.

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.

Your use (as a seller) 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. The privacy and data protection laws that may apply include any associated regulations, regulatory requirements and codes of practice applicable to the provision of the services described in this agreement, including the Information Technology Act 2000 and rules

and regulations issued thereunder.

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 express 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).

Reporting Concerns

We encourage you to [report](#) any concerns regarding inappropriate content, illegal activity and other such violations to PayPal immediately. For complaints or concerns in relation to your personal information or content, you may choose to contact our Grievance Officer. The role of the Grievance Officer under the Information Technology Act, 2000, as applicable in India, is to redress grievances of users or victims in India and not to receive legal process.

Grievance Officer: Amit Sahal

Contact Information: grievance-india@paypal.com.