

# Policy Updates

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## Notice of Amendment to PayPal Legal Agreements

Issued: Oct 9, 2017 (for Effective Dates see each individual agreement below)

### **Please read this document.**

We're making changes to the legal agreements that govern your relationship with PayPal.

We encourage you to carefully review this notice to familiarise yourself with the changes that are being made.

You do not need to do anything to accept the changes as they will automatically come into effect on the Effective Dates shown below. Should you decide you do not wish to accept them you can notify us before the above date to **close your account** ([https://www.paypal.com/no/cgi-bin/?&cmd=\\_close-account](https://www.paypal.com/no/cgi-bin/?&cmd=_close-account)) immediately without incurring any additional charges.

We do hope, however, that you continue to use PayPal and enjoy the following benefits:

### **It's faster**

You don't have to type in your card details each time you pay, so you can check out faster online.

### **It's easier**

PayPal is the preferred web payment method in the Norway because it's a smarter, savvier way to pay online in just a few clicks. All you need is your email address and a password.

Please review the current [Legal Agreements](#) in effect

## Notice of amendment to the PayPal User Agreement.

Effective Date: Jan 09, 2018

You can find the amended PayPal User Agreement below the version of that agreement currently in force by clicking [here](#) or accessing it via the “Legal” or “Legal Agreements” footer on most PayPal site pages.

### 1. Your compliance with laws and regulations

More than ever, our lives are affected by constantly changing policies, laws and regulations. If you especially use PayPal for a business that potentially involves regulated activity, licensed activity, export or import activity, taxes or foreign currency transactions, we want to remind you that you are solely responsible for understanding and complying with any and all laws, rules and regulations of your specific jurisdiction that may be applicable to you in connection with your use of PayPal’s services.

We have updated the “Important Information – Key Risks and Terms” section (the text before section 1) accordingly to clarify this point. It now reads as follows (with added wording underlined):

*“IMPORTANT INFORMATION – KEY RISKS AND TERMS*

...

*You are solely responsible for understanding and complying with any and all laws, rules and regulations of your specific jurisdiction that may be applicable to you in connection with your use of the Services, including but not limited to, those related to regulated activity, licensed activity, export or import activity, taxes or foreign currency transactions.*

...”

### 2. Languages

We have amended the section headed “Entering into this Agreement” and section 1.4 (formerly “Notices to You” and now headed “Communicating with You”) to clarify the language(s) in which the User Agreement is concluded and the language(s) we may communicate with you.

The relevant part of the section headed “Entering into this Agreement” now reads as follows (with added wording underlined):

*“...This Agreement is provided to you and concluded in English only. ...”*

The relevant part of section 1.4 (formerly “Notices to You” and now headed “Communicating with You”) now reads as follows (with added wording underlined):

***“1.4 Communicating with You.***

***1.4.1 Languages. This Agreement is concluded in English only. We will communicate with you in English only.***

***1.4.2 Notices to You. ...”***

**3. Withdrawing/Redeeming E-money held in a currency other than your Account’s primary currency**

We have amended sections 6.1 and 6.4 to clarify situations in which a currency conversion by PayPal may apply (in which case PayPal may charge a Currency Conversion Fee as set out in section A3.1.1. of Schedule 1). Sections 6.1 and 6.4 now read as follows (with added/amended wording underlined):

***“6.1 How to Withdraw/Redeem E-money. You may withdraw funds by electronically transferring them to your bank account (this withdrawal/redemption functionality is sometimes known as “transfer to bank”) or if you are a registered user of a Credit Card Withdrawal Region, your branded MasterCard or Visa card. Some jurisdictions may permit you to withdraw funds to either your bank account or your card. The bank account or card into which you request the redemption of E-money must be denominated in the primary currency of your Account or another currency that PayPal supports for your country of residence. Balances will be redeemed in the primary currency of your Account. This means that:***

***a. If you withdraw a balance held in a currency other than the primary currency of your Account, you will be charged a Currency Conversion Fee as set out in section A3.1.1 of Schedule 1 to convert it to your primary currency balance (pursuant to section 8.2).***

b. If you withdraw to a bank account or card held in a currency other than the primary currency of your Account, you will be charged a Currency Conversion Fee as set out in section A3.1.1 of Schedule 1 for the conversion of the withdrawn currency amount into currency of your bank account or card (pursuant to section 8.2).

See also section 6.4 if your Account holds a balance in multiple currencies.

...

**6.4 Withdrawing Money in Multiple Currencies.** *If you have multiple currencies in your Balance, you will be able to choose from those when you withdraw funds, but, unless otherwise agreed, the withdrawal will take place in the primary currency of your Account. If you are able to withdraw to your branded MasterCard or Visa card, your withdrawal may be subject to a fee as stated in Schedule 1 of this Agreement and may take place in a different currency to your primary currency depending on whether PayPal can support the withdrawal into the card's base currency. See section 6.1 for how you may be charged a Currency Conversion Fee to convert from or into the primary currency of your Account when withdrawing your Balance."*

#### 4. Currency Conversion

We have amended section 8.2 (Currency Conversion) and section A3.1 of Schedule 1 (Other Fees - Currency Conversion) to clarify what happens when your transaction involves a currency conversion by PayPal. Section 8.2 and section A3.1 of Schedule 1 now read as follows (with added/amended wording underlined):

**"8.2 Currency Conversion.** *If a transaction involves a currency conversion by PayPal, it will be converted at the exchange rate we set for the relevant currency exchange. This is the "Base Exchange Rate".*

*The Base Exchange Rate is based on rates available in the wholesale currency markets or, if required by law or regulation, at the relevant governmental reference rate(s), on the conversion date or the prior business day.*

*We then add a Currency Conversion Fee (as set out in section A3.1 of Schedule 1 of this Agreement) to the Base Exchange Rate to form the final foreign exchange rate applied to your transaction. In some cases (see sections 4.7 and 4.8) this final foreign exchange rate may be applied immediately and without notice to you.*

The “Currency Converter” tool can be accessed through your Account and used to see what exchange rates (with the Currency Conversion Fee already added) apply for certain currency exchanges at the time you use the tool.

Where a currency conversion is offered by PayPal to you when you make your transaction, you will be shown the exchange rate (which includes the Currency Conversion Fee) that will be applied to the transaction before you proceed with authorising the payment transaction. By proceeding with your authorisation of the payment transaction you are agreeing to the currency conversion on the basis of the exchange rate shown (which includes the Currency Conversion Fee).

You may opt out of a currency conversion by PayPal before you complete your payment by selecting “Other Conversion options” on the “Review Your Information” page during checkout.

Where a currency conversion is offered at the point of sale by the merchant, not by PayPal, and you choose to authorise the payment transaction on the basis of the merchant's exchange rate and charges, PayPal has no liability to you for that currency conversion.

Where your payment is funded by a Debit or Credit Card and involves a currency conversion by PayPal, by entering into this Agreement you consent to and authorise PayPal to convert the currency in place of your Credit card issuer.

If you receive a payment in a currency other than the primary currency of your Account from anyone who doesn't have a PayPal Account, the payment amount will be converted into the primary currency of your Account by PayPal for you at the time the payment is made, in accordance with this section 8.2 (except where otherwise agreed by PayPal) and you agree to bear the Currency Conversion Fee at section A3.1.1 of Schedule 1 of this Agreement (which is included in the exchange rate you pay), before any other transaction fees apply.

...

**A3.1.1 For currency conversions of amounts in your PayPal account that do not form part of a specific transaction into or out of your account (e.g. converting your balance to another currency) and for transactions involving a currency conversion for which the seller has agreed to bear the conversion fee:**

2.5% above the Base Exchange Rate.

***A3.1.2 For all other transactions involving a currency conversion and for which the seller has not agreed to bear the conversion fee:***

*4.0% above the Base Exchange Rate*

## **5. PayPal Buyer Protection**

Section 13.3 is amended to clarify that:

- a. PayPal may at its sole discretion automatically close any Dispute or Claim you file which PayPal has reason to suspect is not related to an eligible purchase.

Section 13.5c is also amended to clarify what may happen depending on whether the Payment Recipient presents evidence of having delivered to/performed for the buyer the purchase as agreed with the buyer.

The amended parts of sections 13.3 (presented in context with the root clause) and 13.5c now read as follows (in each case with added wording underlined):

### ***“13.3 What type of payments are eligible for re-imbusement under PayPal Buyer Protection***

*You may be reimbursed under PayPal Buyer Protection for a problem with a purchase only if all of the following requirements are met:*

***a. Your purchase is an eligible purchase.*** *Purchases of most goods and services are eligible (including travel tickets, intangible items such as rights of access to digital content and other licences), except for the following transactions:*

...

- *. purchases of items which you collect in person, or arrange to be collected on your behalf (including at a retail point of sale) and which you claim to be Not Received;*

...

*PayPal may at its sole discretion automatically close any Dispute or Claim you file which PayPal has reason to suspect is not related to an eligible purchase as outlined above.*

...

***13.5c How do I resolve my problem?***

*If you are unable to resolve a problem directly with the seller, go to the Resolution Centre and follow this process:*

...

- *Respond to PayPal requests for information in a timely manner*

*During the Claim process, PayPal may require you to provide documentation to support your position. You may be asked to provide proof of delivery, receipts, third party evaluations, police reports or anything else that PayPal specifies. PayPal may require the seller to present evidence to PayPal in a timely manner that the Payment Recipient delivered to/performed for the buyer the purchase as agreed with the buyer, even where the purchase is not eligible for PayPal Buyer Protection under section 13.3. If the seller does not present such evidence in a timely manner, PayPal may find in favour of the buyer. If the seller presents such evidence in a timely manner, PayPal may find in favour of the seller even if the buyer claims not to have received the purchase.*

## **6. Third Party Permissions**

The Second EU Payment Services Directive ((EU)2015/2366) (“**PSD2**”) sets out a regulatory framework across the EEA that can allow:

- a third-party service provider licensed by applicable law to provide account information services (“**AIS Provider**”) to access information about your Account on your behalf with your permission;
- a third party card issuer to confirm whether an amount necessary for the execution of a card-based payment transaction is available on your PayPal Account with your permission; and
- a third party service provider licensed by law to provide payment initiation services (“**PIS Provider**”) to initiate your payment from your Account on your behalf with your permission.

Section 15.9 (Third Party Permissions) is amended to clarify how the User Agreement applies to (and what liability you have to PayPal for) your use of PayPal through those third party service providers.

New section 9.3 (Restricted Activities and Permissions) is added as a related provision.

The new section 9.3 and amended section 15.9 now read as follows (with added wording underlined):

**“9.3 Restricted Activities and Permissions. Nothing in this section 9 prevents you from permitting third parties to take certain actions on your behalf as outlined in section 15.9 in compliance with the conditions of their licence and applicable law.”**

...

### **15.9 Third Party Permissions.**

**a. Permissions in general.** You may expressly grant, remove and manage permissions for some third parties to take certain actions on your behalf. In some cases you can do this by logging into your Account – in other cases you can do this directly with the third party. You acknowledge that if you grant permission for a third party to take actions on your behalf, PayPal may disclose certain information about your PayPal Account to this third party.

#### **b. Using licensed third-party services to access your Account information**

If you permit either:

- i. a third-party service provider licensed by applicable law to provide account information services (“AIS Provider”) to access information about your Account on your behalf; or
- ii. a third party card issuer to confirm whether an amount necessary for the execution of a card-based payment transaction is available on your PayPal Account,

then:

- iii. this Agreement (including, without limitation, section 2.3) will still apply to you and your access to that information using the AIS Provider or card issuer; and
- iv. you are liable to PayPal:
  - a. for the actions that you authorise the AIS Provider or card issuer to take on your behalf; and
  - b. under section 15.9.d (Your liability regarding any permissions you grant),

subject to your mandatory legal rights and section 12 (Errors and Unauthorised Transactions).

#### **c. Using licensed third party services to initiate your payment**

If you permit a third party service provider licensed by law to provide payment initiation services (“PIS Provider”) to initiate your payment on your behalf then:

- i. this Agreement (including, without limitation, sections 4.1 to 4.6 inclusive and 4.10) will still apply to you and your payment initiated by the PIS Provider; and
- ii. you are liable to PayPal:

a. for the actions that you authorise the PIS Provider to take on your behalf; and

b. under section 15.9.d (Your liability regarding any permissions you grant),

subject to your mandatory legal rights and section 12 (Errors and Unauthorised Transactions).



**d. Your liability regarding any permissions you grant.**

*Granting permission to any third party in any way does not relieve you of any of your responsibilities under this Agreement. You acknowledge and agree that you will not hold PayPal responsible for, and will indemnify PayPal from, any liability arising from the actions or inactions of this third party in connection with the permissions you granted.”*

**7. Fees - Personal Transaction payment Fees**

We are adjusting how the Fee for sending or receiving Personal Transaction payments is calculated, so that the Fee will now be pro-rated according to how each portion of the payment is funded. Section A1. of Schedule 1 now reads as follows (with added wording underlined):

***“A1. Personal Transaction payment Fees***

*The Personal Transaction payment Fee will be shown at the time of payment.*

*Where there is stated to be a Fixed Fee component, please refer to A4.6 of this Schedule 1 for more details.*

***A1.1 Domestic Personal Transaction payment Fees***

*Note that either the sender or the recipient pays the Fee, not both. Please see A4.2.3 of this Schedule 1 for more information.*

<b><i>Activity</i></b>	<b><i>Fee for <u>the portion of a payment funded</u> by:</i></b> <b><i>- <u>existing</u> PayPal Balance;</i></b> <b><i>- Bank.</i></b>	<b><i>Fee for <u>the portion of a payment</u> funded by</i></b> <b><i>- Debit Card; and/or</i></b> <b><i>- Credit Card.</i></b>
<b><i>Sending or Receiving</i></b>	<b><i>Free (when no currency conversion is involved)</i></b>	<b><i>3.4% + Fixed Fee</i></b>

***A1.2 Cross Border Personal Transaction payment Fees***

To determine the Fee for a Cross Border Personal Transaction payment sent to a User in a specific country, please follow the steps below.

**Note that either the sender or the recipient pays the Fee, not both. Please see A4.2.3 of this Schedule 1 for more information.**

Step 1. Locate the recipient's country in the table below (in the first column from left).

Step 2. Determine the region of the sender's country (second column).

Step 3. Find the applicable Fee based on the payment method(s) used (third and fourth columns).

<b>Recipient's Country</b>	<b>Sender's Country</b>	<b>Fee for the portion of a payment funded by existing PayPal balance or bank account</b>	<b>Fee for the portion of a payment funded by debit card or credit card</b>
	Northern Europe	0.4%	3.8% + Fixed Fee
	US, Canada, Europe I	0.5%	3.9% + Fixed Fee
	Europe II	1.0%^	4.4% + Fixed Fee
	All other countries^^	1.5%^	4.9% + Fixed Fee
	Northern Europe	0.4%	3.8% + Fixed Fee
	US, Canada, Europe I	0.5%	3.9% + Fixed Fee

	<i>Europe II</i>	<i>1.3%</i>	<i>4.7% + Fixed Fee</i>
	<i>All other countries^^</i>	<i>1.8%</i>	<i>5.2% + Fixed Fee</i>
	<i>Northern Europe</i>	<i>1.8%</i>	<i>3.7% + Fixed Fee</i>
	<i>US, Canada, Europe I</i>	<i>2.0%</i>	<i>3.9% + Fixed Fee</i>
	<i>Europe II</i>	<i>3.0%</i>	<i>4.9% + Fixed Fee</i>
	<i>All other countries^^</i>	<i>3.3%</i>	<i>5.2% + Fixed Fee</i>
	<i>Northern Europe</i>	<i>0.9%</i>	<i>3.8% + Fixed Fee</i>
	<i>US, Canada, Europe I</i>	<i>1.0%</i>	<i>3.9% + Fixed Fee</i>
	<i>Europe II</i>	<i>1.5%</i>	<i>4.4% + Fixed Fee</i>
	<i>All other countries^^</i>	<i>2.0%</i>	<i>4.9% + Fixed Fee</i>
<i>Australia</i>	<i>Anywhere^^</i>	<i>1.0%</i>	<i>3.4% + Fixed Fee</i>
<i>Japan</i>	<i>Anywhere^^</i>	<i>0.3%</i>	<i>3.9% + Fixed Fee</i>
<i>U.S. and Canada</i>	<i>Anywhere^^</i>	<i>1.0%</i>	<i>3.9% + Fixed Fee</i>
<i>All other countries^^</i>	<i>Anywhere^^</i>	<i>0.5%<sup>^</sup></i>	<i>3.9% + Fixed Fee<sup>^</sup></i>

*Note: Cross Border Euro or Swedish Krona payments made between Accounts registered in the European Union or EEA will be treated as Domestic Payments for the purpose of applying Fees.*

*^^ Subject to service availability for the User registered in the given country.*

## 8. Other changes

Sections of the PayPal User Agreement have been amended:

- to clarify and reorganise existing wording, including the following existing sections:

<b>Section</b>	<b>Amendment</b>
<ul style="list-style-type: none"><li>• <b>Second paragraph at the start of the User Agreement</b></li></ul>	This section is amended to also make reference to the Second EU Payment Services Directive ((EU)2015/2366) (“ <b>PSD2</b> ”), the EU directive which updates the EU Payment Services Directive (2007/64/EC).
<ul style="list-style-type: none"><li>• <b>2.3 Balance and transaction information</b></li></ul>	This section is now headed “Account information (including Balance and transaction information”.
<ul style="list-style-type: none"><li>• <b>2.6 Balances in Multiple Currencies.</b></li></ul>	This section is amended to clarify existing wording on how a currency conversion may arise for which a Currency Conversion Fee is charged when managing your Balances in multiple currencies.
<ul style="list-style-type: none"><li>• <b>4.7 Merchant Processing Delay</b></li></ul>	This section has been amended to add clarify how a Merchant Processing Delay may arise (especially in cases where the merchant sells on an online platforms or you are paying for certain purchases which have to be shipped to you or may be further amended by the merchant. The amendments also set out what happens in such cases and add further context for clarity.
<ul style="list-style-type: none"><li>• <b>4.8 Pre-approved Payments</b></li></ul>	This section is now headed “Pre-approved Payments (also known as Automatic

	Payments)” with further amendments for clarity.
<ul style="list-style-type: none"> <li>• <b>4.10 Sending E-money in Multiple Currencies.</b></li> </ul>	This section is amended for clarification.
<ul style="list-style-type: none"> <li>• <b>5. Receiving Money</b> - preamble</li> </ul>	This section is amended for clarification.
<ul style="list-style-type: none"> <li>• <b>5.4 Non discouragement</b></li> </ul>	This section is now headed “PayPal and your customers” with further amendments for clarity.
<ul style="list-style-type: none"> <li>• <b>9.1j. Restricted Activities – Use an anonymising proxy</b></li> </ul>	This section is amended for clarification and contains non-exhaustive examples of the use of an anonymising proxy.
<ul style="list-style-type: none"> <li>• <b>12.1 - Identifying Errors and/or Unauthorised Transactions</b></li> </ul>	This section is amended for clarification.
<ul style="list-style-type: none"> <li>• <b>12.2 Notifying PayPal of Errors, Unauthorised Transactions and/or misappropriated or unauthorised use of your Payment Instrument.</b></li> </ul>	This section is amended for clarification.
<ul style="list-style-type: none"> <li>• <b>12.3 Review of Reports of Errors.</b></li> </ul>	This section is amended for clarification.
<ul style="list-style-type: none"> <li>• <b>12.4 Liability for Unauthorised Transactions</b></li> </ul>	This section is amended for clarification.
<ul style="list-style-type: none"> <li>• <b>12.5 Entitlement to a refund.</b></li> </ul>	This section is amended for clarification.
<ul style="list-style-type: none"> <li>• <b>14.2 (ECC-Net, Financial Ombudsman Service and CSSF)</b></li> </ul>	This section is updated to include details of the EU’s Online Dispute Resolution site.
<ul style="list-style-type: none"> <li>• <b>15.1 Governing Law and Jurisdiction.</b></li> </ul>	This section is updated to refer to the “laws of England and Wales” and the “courts of England and Wales” as the basis of the

	provisions relating to the governing law of the User Agreement and our relationship and applicable court in case you want to bring a claim against us in court. The amendments do not otherwise change your existing rights.
<ul style="list-style-type: none"> <li>• <b>15.11 Corporate Customers</b></li> </ul>	This section is amended to make reference to equivalent provisions in the Second EU Payment Services Directive (2007/64/EC) (“ <b>PSD2</b> ”), the EU directive which updates the EU Payment Services Directive (2007/64/EC).
<ul style="list-style-type: none"> <li>• <b>15 (Definitions)</b></li> </ul>	<p>This section is amended to:</p> <ul style="list-style-type: none"> <li>• clarify the following definitions: Authorise (with consequential amendments to section 4.1e.b); and Pre-approved Payment (this type of payment is also known as an Automatic Payment); and</li> <li>• introduce the following new defined terms: <i>AIS Provider, PIS Provider</i></li> </ul>

; and

- correct minor typographical errors.

## **Notice of amendment to the Commercial Entity Agreement For PayPal Payment Card Funded Processing Services (Worldpay)**

Effective Date: Jan 09, 2018

This notice applies only if you have accepted the terms and conditions of the Commercial Entity Agreements, (typically if you are a User receiving card-funded payments for commercial transactions).

Although PayPal is not a party to the Commercial Entity Agreements, these agreements affect how you receive card-funded payments using PayPal's services. They are your direct agreements with PayPal's banking partners, who enable you to receive card-funded PayPal payments.

The Commercial Entity Agreements apply to merchants across the world – this means that not all of the changes to these agreements affect merchants resident in Europe. We have given notice only of the changes that affect merchants resident in Europe.

**This notice relates to the Commercial Entity Agreement For PayPal Payment Card Funded Processing Services (Worldpay) only. The HSBC Bank Commercial Entity Agreement for Credit Card Processing Services (which appears in the same document as the Worldpay agreement) is not affected and will not change as a result of this notice.**

You can find the amended **Commercial Entity Agreement For PayPal Payment Card Funded Processing Services (Worldpay)** below the version of that agreement currently in force by clicking [here](#) or accessing them via the “Legal” or “Legal Agreements” footer on most PayPal site pages.

For information only, the amended **Commercial Entity Agreement For PayPal Payment Card Funded Processing Services (Worldpay)** is also amended for merchants based outside of Europe – merchants based in Europe are not affected by these particular amendments.