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paypal.com

22 October 2018

Financial Services Unit
Australian Consumer and Competition Commission
23 Marcus Clarke Street
Canberra ACT 2601

By email: forex@accc.gov.au

Dear Sir or Madam,

In response to the ACCC's Inquiry into Foreign Currency Conversion Services Issues Paper, PayPal Australia would like to provide the following feedback:

PayPal Australia is regulated as a limited Authorised Deposit-Taking Institution (ADI) with authority to provide purchased payment facilities (PPF). PayPal is the only PPF authorised by APRA since the introduction of the PPF regime in 1998. PayPal Australia also holds an AFS license to provide non-cash payment products and was the first company to sign the e-Payments voluntary code of conduct.

PayPal is a digital wallet provider that allows buyers and sellers to send and receive payments online. PayPal Australia currently has 7.5 million active accounts, of which 7M (93%) are consumers and about 520K are merchants. The majority of merchants are small to medium sized businesses that use PayPal for the sale of goods and services.

PayPal customers, consumers and merchants, can send payments to people in more than 200 markets and more than 20 currencies.

Our anti-fraud measures and PayPal's buyer protection and seller protection ensure our customers can transact online safely and securely.

PayPal runs on top of the existing banking and credit card infrastructure, aggregating disparate financial services into the PayPal wallet and providing consumers with a choice of how they wish to pay.

PayPal's core business process enables two entities, a sender and a receiver, to be party to an online payment transaction using their existing financial instruments, such as credit cards, debit cards and bank accounts. Customers can hold stored balance in their PayPal account and can withdraw those funds to a linked bank account or pay for goods and services or P2P, (person to person), transactions within the PayPal network.


PayPal adds value to the financial tools that customers already own by providing additional security and ease-of-use features, making both domestic and cross-border online payments safer, faster and easier.

In addition to larger and more established merchants, PayPal is accepted by many smaller Australian sellers who would otherwise find it difficult to accept card/bank payments. This includes businesses too small to obtain merchant card facilities as part of a bundled service anchored by a bank loan, and occasional or one-time sellers (such as on eBay or Gumtree). PayPal also provides an easy and relatively inexpensive way for merchants to accept electronic online payments.

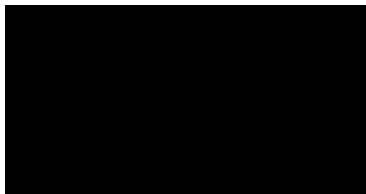
Currency conversion – consumers and merchants

The fees and charges that apply for a transaction depend on several factors, including whether or not a customer is making a commercial transaction or a personal transaction, and the underlying funding source used. These fees and charges are readily available on PayPal's website, with a reminder to consumers that a currency conversion fee may apply to either a sender or a recipient. Where a currency conversion is offered by PayPal, the transaction flows contain information regarding the exchange rate used.

Section 18 of PayPal's Product Disclosure Statement contains more detailed information on the fees and charges that apply, including a complete list of the fixed and variable fees that apply for Australian customers based on the currency sent/received and transaction type.

PayPal looks forward to working with the ACCC as you progress this inquiry into the supply of foreign currency conversion services to consumers and small businesses in Australia. If you require further information, please contact our Australian Director of Government Relations 

Sincerely,



CEO, PayPal Australia Pty Ltd

Level 24, 1 York Street
Sydney, NSW 2000
ABN 93 111 195 389
AFSL Number 304 962

Combined Financial Services Guide and Product Disclosure Statement

This Version: 18-4

Previous Version: 18-3

Last Update: 17 November 2018

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INTRODUCTION

Our legal relationship with customers is governed by our [User Agreement](#).

Our Financial Services Guide (FSG) is designed to help you decide whether to use our services.

Our Product Disclosure Statement (PDS) contains information to help you make an informed choice about whether or not to register for and use our services. Information relevant to both the FSG and PDS may be included expressly in one part and incorporated by reference in the other.

Part 1: FINANCIAL SERVICES GUIDE (FSG)

1. Issuer

1.1 Part 1 of this document is an FSG provided by PayPal Australia Pty Limited ABN 93 111 195 389 which holds Australian financial services licence number 304962.

2. Purpose of this FSG

2.1 This FSG contains information about:

- The services we provide;
- Remuneration, commission or other benefits paid to us and others in connection with the services we provide;
- Details of any associations which might reasonably be expected to be able to influence the services we provide; and
- Our complaint resolution arrangements and how you can access them.

2.2 This FSG contains only general information about the services we offer.

3. How to contact us

3.1 Our contact details are as follows:

Email:	Visit our Help Centre .
Phone:	1800 073 263 (within Australia) or +61 2 8223 9500 Support Hours are available on our Contact Us page
Mail:	PayPal Australia GPO Box 351 Sydney NSW 2001

4. Financial services we are authorised to provide

4.1 PayPal is authorised to:

- Provide general financial product advice for non-cash payment products; and
- Issue, apply for, acquire, vary or dispose of non-cash payment products.

4.2 We are only authorised to provide general advice so you should be aware that any advice (including any statement of opinion or recommendation) we may give about our services does not take into account your objectives, financial situation or needs. You should consider the appropriateness of our services in regard to your objectives, financial situation and needs before you act on any advice we provide.

5. Remuneration, commissions and other benefits

PayPal

5.1 PayPal earns money from any fees you pay us under clause 18 of the PDS.

5.2 PayPal also earns money when it converts currency.

5.3 PayPal earns interest on the money we hold in a bank account which reflects your PayPal balance.

PayPal staff

5.4 Our staff and the staff of our Related Bodies Corporate receive a salary plus superannuation where applicable. They may also be eligible for monetary and non-monetary awards or additional incentive payments, including bonuses and shares.

5.5 The way we pay our staff and the amount we pay them varies depending on each individual staff member's business area and position at PayPal.

5.6 Some staff in the PayPal sales team earn a base salary and variable pay, calculated as a percentage or multiple of their base salary, if they (or their team) meet business and service targets (as applicable).

Third parties

5.7 If a customer is referred to us, we may:

- pay the referrer a fee calculated as a percentage of the total payment volume generated by the customer;
- pay the referrer a fixed amount for each referred customer; or
- provide the referrer monetary or non-monetary incentives based on various measures. Non-monetary incentives may include entertainment vouchers or other benefits that we choose to offer from time to time.

5.8 You can request more information about certain relevant remuneration payments referred to above before we provide our services to you.

6. Associations

6.1 PayPal is part of the PayPal Holdings Inc. group of companies.

7. Complaints and disputes

7.1 We are committed to dealing with customer complaints fairly and resolving issues in accordance with our complaints handling processes, policies and relevant regulatory standards.

7.2 We are exempt from the requirement to:

- hold professional indemnity insurance; and
- put compensation arrangements in place.

7.3 The Australian Securities and Investments Commission has a free Infoline on 1300 300 630 for obtaining information about your rights or making a complaint.

Submitting a complaint or dispute

7.4 If you have a dispute with a PayPal seller, you should file a dispute through the **Resolution Centre** by logging in to your PayPal account.

7.5 If you have a complaint about our services or believe your account may be subject to an unauthorised transaction, account takeover or other type of fraudulent activity, you should contact us immediately.

7.6 You can report complaints about our services by:

	For PayPal accounts
Email:	auexecutiveescalations@paypal.com
Phone:	1800 073 263 (within Australia) or +61 2 8223 9500 Support Hours are available on our Contact Us page
Mail:	Customer Advocacy Manager PayPal Australia GPO Box 351 Sydney NSW 2001

Handling your complaints

7.7 We aim to:

- Acknowledge receipt of all complaints within 5 business days.
- Resolve all complaints within 45 days. This may not be possible in all circumstances.

Where we cannot resolve a complaint within 45 days, we will notify you of the reason for the delay as well as an indication of when we expect to resolve the complaint.

7.8 If a complaint relates to the limiting of a PayPal account, we may request additional documentation from you. For more information, please refer to the “Restricted Activities and Holds” section of our [User Agreement](#).

Referral of unresolved complaints to external dispute resolution scheme

7.9 We are a member of the Australian Financial Complaints Authority (“AFCA”), an independent external dispute resolution scheme covering applicable Australian customers. For more information on AFCA, please visit www.afca.org.au.

7.10 If you are not satisfied with our resolution or handling of your complaint you may wish to contact AFCA by:

Phone:	1800 931 678
Mail:	Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

PART 2: PRODUCT DISCLOSURE STATEMENT (PDS)

8. Issuer

8.1 Part 2 of this document is a PDS prepared by PayPal Australia Pty Limited ABN 93 111 195 389 which holds Australian financial services licence number 304962.

8.2 We are licensed by the Australian Prudential Regulation Authority as an authorised deposit-taking institution that provides purchased payment facilities.

8.3 We are a reporting entity to AUSTRAC under the Anti-Money Laundering and Counter-Terrorism Financing Act.

9. About this PDS

9.1 This PDS applies to:

- your Australian PayPal account; and
- any other use of PayPal in Australia.

9.2 The information in this PDS is current as at the last update. Information about changes may be found on our [Policy Updates](#) page. We will mail you a paper copy of any changes free of charge on request.

9.3 The information in this PDS is not intended to constitute general advice about any financial product other than the financial products to which this PDS relates, nor is it personal advice or a recommendation or opinion that our services are suitable for or take into account your specific objectives, financial situation or needs.

10. Our Services

10.1 Our services allow you to securely and conveniently send and receive money for goods or services and between friends and family. To find out more about our services, visit www.paypal.com.

10.2 When you register to use the PayPal services, we will open a PayPal account in your personal name or business name.

10.3 The PayPal services allow you to:

Make a payment	<p>Pay anyone, anywhere, with just an email address or mobile phone number.</p> <ul style="list-style-type: none">• Send payments for Commercial Transactions or Personal Transactions.• Payment will be made on your terms. Funds will be debited from your PayPal account balance, linked bank account or card.• We'll send the funds to your recipient while protecting your financial information.
Request and receive payments	<p>Request and receive payments instantly from anyone with just their email address or mobile phone number.</p> <ul style="list-style-type: none">• Invoice a buyer or request funds for a Personal Transaction.

	<ul style="list-style-type: none"> • When you request a payment, we'll send the buyer or nominated individual an invoice or notification. • We'll let you know when you've been paid and the funds will appear in your account.
Withdraw money	If you have funds in your account, you may withdraw them to the linked bank account you hold with a financial institution in Australia or the United States of America. If you have funds in your account that are held in a foreign currency, they'll usually be converted to Australian Dollars prior to withdrawal.

10.4 In consideration for your use of the PayPal services, you irrevocably transfer and assign to us the right to earn interest that may accrue on funds held by us. This applies only to interest earned on your funds and does not grant us any ownership right to the principal of the funds you hold with us, subject to the PayPal [User Agreement](#).

11. Terms and conditions

11.1 If you sign up to use PayPal, this PDS, the PayPal [User Agreement](#) and your completion of our online registration form constitute your agreement with us.

11.2 The PayPal User Agreement (and its incorporated policies) is available online at www.paypal.com by clicking **Legal** at the bottom of any page.

12. Responsibility for taxes

12.1 You are responsible for collecting, reporting and paying any taxes that may arise from your use of our services. You agree to comply with applicable tax laws in connection with your use of our services.

12.2 Unless otherwise expressly set out in this PDS, our fees are GST exempt.

13. Opening an account with us

13.1 You can sign up for a PayPal account at www.paypal.com by clicking **Sign Up** and completing the online registration form.

13.2 Your PayPal account will become active after you have validly completed the registration form. You may be subject to certain payment or transfer limits until you complete further verification processes.

13.3 You may also be required to seek pre-approval for using PayPal if your account falls within a category listed in our [Acceptable Use Policy](#).

14. Types of accounts

14.1. There are 3 types of PayPal accounts as shown below. Premier accounts cannot be opened from 27 October 2017.

Personal account	Premier account	Business account
<p>For buyers and casual online sellers.</p> <ul style="list-style-type: none"> • Buy online and in person. • Sell online. • Send and receive money for Personal Transactions. • Upgrade to a sole trader business account at any time. 	<p>For buyers and casual sellers.</p> <ul style="list-style-type: none"> • Buy and sell online and in person. • Send and receive money for Personal Transactions. • Upgrade to a sole trader business account at any time. 	<p>For businesses, including sole traders.</p> <ul style="list-style-type: none"> • Buy and sell online and in person. • Hold under a corporate or group name. • Set different access rights for employees and representatives.

15. How PayPal manages the funds in your PayPal balance

15.1 Any funds held in your PayPal account will be pooled with money from accounts of other customers and deposited with a licensed bank in Australia. This does not affect your right to withdraw funds from your PayPal account.

15.2 If there is a positive balance in your account and you have not transacted in the period prescribed under the Banking Act 1959 (Cth), your funds will be subject to the unclaimed monies laws.

16. Key risks

16.1 **Unauthorised transactions:** There is a risk your account or a transaction may be compromised and subject to a takeover, interception, or other type of fraudulent or unauthorised activity.

Your liability for unauthorised transactions	You are responsible for losses arising from an unauthorised transaction where we can prove, on the balance of probability, that you contributed to a loss through fraud or breaching our password and PIN security requirements. You will be liable in full for the actual losses that occur before the loss, theft or misuse of a security key or breach of password or PIN security is reported to us.
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16.2 Recovering owed funds: There is a risk you may:

- not receive your payment where you owe any amount to us, our Related Bodies Corporate or eBay; or
- incur bank fees if your payment method has insufficient funds to complete your payment with us.

Recovering owed funds	<p>When you receive a payment through our services, usually we have not yet received payment in full from the sender. From the time that you receive the payment, you will owe us an amount equivalent to the amount of the transaction (including any applicable fees imposed on us), and that liability will be cancelled only when we receive irrevocable payment in full. Events that could lead to us not receiving payment in full include:</p> <ul style="list-style-type: none"> • The funds received being later invalidated for any reason; • The funds received being subject to a chargeback (determined by the sender’s card issuer – we are bound to follow their instructions); • A reversal occurring (for example, because the transaction was unauthorised); • Our determination under the PayPal Buyer Protection Policy or payment review (the process by which we review potentially high-risk transactions) that the funds received should be returned or reversed; or • You having received payment from a PayPal account holder in another country and we determine under the PayPal Buyer Protection Policy of that country that the funds received should be returned or reversed. <p>If you owe any amount to us, our Related Bodies Corporate or eBay you agree to allow the recovery of these amounts by debiting your account promptly if we reasonably believe that payment will not be received in full for any reason.</p>
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If there are insufficient funds in your PayPal account to cover any amount you owe us, our Related Bodies Corporate or eBay, the amount becomes immediately due and payable by you and you authorise us to satisfy any of these debts by:

- Debiting your PayPal account at a later date;
- Debiting a preferred payment method;
- Setting off the credit balance of any account you have with us or any monetary liability we owe you in and towards satisfaction of your debt;
- or
- Any other legal means.

16.3 Holds on funds, account limitation and account closure: Your PayPal account and funds in it may be subject to a hold, release amount, reserve, limitation or closure for a variety of reasons, including:

- If your account is associated with another PayPal account, an account you hold with eBay, or an account connected with any other service you receive from us which has been limited, is not in good standing or poses a risk to the integrity, security or reliability of us or our systems;
- If we believe your personal account is being used in connection with a business we may suspend it or require you to upgrade to a business account;
- If a transaction is subject to a payment review;
- Our requirements to prove your identity in accordance with Anti-Money Laundering and Counter-Terrorism Financing laws (“AML laws”);
- Suspected fraud;
- Sudden changes in the amount or number of transactions;

- We need to ensure the integrity of a transaction;
- We believe that there’s a risk associated with you or your account;
- You receive a dispute, claim, chargeback or reversal in relation to any funds received into your account;
- You do not meet certain seller or risk standards when listing on eBay;

- You are a new seller and/or have a limited history with eBay;
- Abuse of any of our services; or
- Breaches of our [User Agreement](#), [Acceptable Use Policy](#) or any other policy or agreement you have entered into with us relating to any of our services.

16.4 Matters we consider: Before holding funds or limiting your PayPal account, we consider:

- Information we collect when you create your account;
- Publicly available information;
- Your selling activity;
- Information we receive from related third parties;
- Whether the funds are related to an irregular or unusual transaction; and
- Other related information.

The more you use your account, the more we know about your activity. As such, our risk assessment may change and we may increase or decrease the amount of funds we hold based on that changed assessment.

16.5 How long do we hold funds?

Transaction holds and release amounts

Except in the case of a reserve or account limitation, funds are usually held for 21 days. Funds may be held for longer than 21 days if:

- We believe that the increased risk associated with you or your account remains after 21 days;
- If you are a seller, we expect the delivery time of your goods or services to be longer than 21 days;
- You receive a dispute, claim, chargeback or reversal relating to the transaction subject to the hold; and/or
- We have taken another action permitted under the PayPal [User Agreement](#).

We may release a hold earlier than 21 days where we reasonably believe that the relevant transaction has completed successfully. Funds held for buyer disputes may not be released until we consider the issue resolved.

Reserves and limitations

If funds you receive are subject to a reserve, we will notify you how long funds will be held for at the time of setting the reserve. If access to funds is restricted because your account has been limited, you will usually gain access to those funds after the limitation has been lifted.

16.6 More information about holding funds, account limitations and closures:

<p>Payment Review</p>	<p>Transactions may be subject to payment review. Funds under payment review will be subject to a hold and we will ask the seller to delay the shipping of the item.</p> <p>Once we have reviewed the transaction, we will either complete or reverse the payment. If the payment is completed, we will provide notice to the seller. Otherwise, the funds will be returned to the buyer.</p> <p>Transactions that complete payment review may still be reversed under the terms of the PayPal User Agreement.</p>
<p>Release amounts</p>	<p>If you are a seller, we may limit the amount you can withdraw or use from your PayPal balance to help protect us and our users from the risk of financial or other loss. The amount of your PayPal balance that will be available for withdrawal or use is called a “release amount”.</p> <p>We will notify you of the terms of any release amount we apply to your account.</p> <p>You may request an increase to your release amount once every 30 days.</p>
<p>Reserves</p>	<p>We may place a reserve on funds held in your account at any time where we reasonably believe there may be a higher than acceptable level of risk associated with you, your PayPal account, your business model, or your transactions. The reserve helps protect us and our users from the risk of financial or other loss.</p> <p>See the PayPal User Agreement for more information on reserves.</p>
<p>Restoring access to a limited account</p>	<p>If we limit access to your account, we will investigate and attempt to resolve the issue. You may be required to provide information to us as part of our investigation. If the investigation is resolved in your favour, we will restore access to your account.</p> <p>Restoring access to your account may take time and until it is restored you may not be able to use it to send, receive or withdraw funds. Please refer to the “Closing Your PayPal Account” and “Holds, Limitations and</p>

	Reserves” sections of the PayPal User Agreement for a detailed explanation of when we may limit access to or close your account.
Our right to deal with held funds	<p>You authorise us to make any reversals, refunds or payments from the held funds in accordance with the PayPal User Agreement. You will not be able to access any funds subject to a hold.</p> <p>Held funds may be subject to a subsequent reversal, chargeback or claim, either while held or after the hold has been released.</p>
Our requirement to transfer funds	If you are a judgment debtor or undischarged bankrupt, we may be required to transfer your PayPal balance to a third party to comply with a law, court order or other legal process.
Fees associated with holds, limitations or closures	<p>You agree that you will pay us (and we may deduct from your account) any applicable fees if held funds are removed from your account in accordance with the PayPal User Agreement. For example, if you have selected that any funds received into your PayPal account should be automatically converted to another currency and the funds are subsequently refunded or reversed and must be returned to the sender in the original currency received, you will pay us (and we may deduct from your account) any fees relating to the currency conversion.</p> <p>For information about fees, please see “Fees and charges” (clause 18 below).</p>

16.7 Unavailability of our services, delays and cancellations:

Whilst we make every attempt to ensure our services are available at all times, it is possible they may be rendered temporarily unavailable from time to time.

16.8 Amounts owed to eBay:

Reimbursements to eBay for determinations under an eBay buyer protection policy	If eBay determines that you are required to reimburse eBay or your buyer, you authorise us to debit the amount of the reimbursement from your account and to pay those amounts to eBay (“ eBay Reimbursement ”). You will not receive a refund for your PayPal fees.
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Debit process for eBay Reimbursement	<ul style="list-style-type: none"> • We will rely on information we receive from eBay for the amount of an eBay Reimbursement. • You agree and authorise us to debit eBay Reimbursements from your account balance or from any payment method linked to your account if you set up your PayPal account as an automatic payment method for your eBay account, in our sole discretion. • If you do not want to us to debit a payment method for eBay Reimbursements, you can cancel the billing agreement from your PayPal account settings. Please note, this may affect your ability to sell on eBay. Please contact eBay for more information.
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16.9 Foreign currencies: The following risks may apply when keeping foreign currency balances in your PayPal account, or where a transaction with PayPal is made in, funded by or received in a foreign currency:

Currency fluctuations	There is a risk the value of any foreign currencies in your account balance will fluctuate as exchange rates change.
Refunds	<p>Generally, we'll process refunds of:</p> <ul style="list-style-type: none"> • online purchases and friends and family transactions to the same payment method you used for the purchase; and • in-store purchases to your PayPal balance. <p>If a payment you sent involved a currency conversion and you're later refunded:</p> <ul style="list-style-type: none"> • Within 60 days of the date of the original payment, we'll normally use the exchange rate that we applied at the time of the original payment; • Beyond 60 days of the date of the original payment, we'll normally use the exchange rate that applies on the date of your refund; • The refund will go back to your bank account or card used for the original transaction in the currency of the original transaction. If that is not possible, we will credit your PayPal balance in the currency of the original transaction; and • You'll be refunded in Australian Dollars if your PayPal account balance doesn't support the currency of the original payment.

Negative balances	<p>If you have a negative PayPal balance in non-Australian dollars for 21 days or longer, you authorise PayPal to convert it to Australian dollars.</p> <p>In addition, funds from payments received will first be diverted to us to make up any negative currency balance. We may also debit your selected payment method the next time you make a payment.</p>
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16.10 PayPal balance and the Financial Claims Scheme: As a provider of purchased payment facilities, PayPal is exempt from the Australian Government’s Financial Claims Scheme (FCS). As such, your PayPal balance is not protected by the FCS.

Visit <https://www.fcs.gov.au/> for more information.

17. Key benefits

17.1 The following are some of the key benefits available to you when using our services:

- Send money to people in more than 200 markets using more than 20 currencies.
- Make secure online payments while keeping your card or bank account number secure.
- No setup fee.
- No annual or monthly account keeping fees. Monthly fees apply when using Virtual Terminal or PayPal Payments Pro – Hosted Solution or API.
- No transaction fees for sending or receiving domestic Personal Transactions funded by PayPal balance or Australian bank account.
- PayPal is easy to use with merchants that accept PayPal.
- Anti-fraud measures to help protect you against fraud and unauthorised use of your account.
- Eligibility for the PayPal Buyer Protection and Seller Protection Policies for certain transactions. See our [User Agreement](#) for more information.

18. Fees and charges

PayPal

18.1 Fees for PayPal transactions depend on whether you are making a Commercial Transaction or Personal Transaction. Fixed fees are set out in clause 18.9.

Standard fees for users registered in Australia are set out below.

Sending Personal Transactions

18.2 Personal Transaction fees are based on the payment method used to fund the transaction. A currency conversion may apply if sending a foreign currency.

Sending in Australia

If you are an Australian account holder sending money to a friend or family member with a PayPal account in Australia, you may pay a fee depending on how you pay.

Payment Method	Fees
PayPal balance or Australian bank account	Free
Any portion funded by a card	2.6% of the portion funded + fixed fee based on the currency

Sending Internationally

If you are an Australian account holder sending money to a friend or family member with a PayPal account in a country other than Australia, the fee you pay depends on the payment method used and the amount you are sending. If you're sending a currency other than Australian Dollars, the applicable fee will be a comparable amount in that currency, using the prevailing transaction exchange rate.

Fees (based on send amount)			
	\$0-\$49.99 AUD	\$50.00-\$99.99 AUD	\$100.00 AUD or more
PayPal balance or Australian bank account	\$0.99 AUD	\$2.99 AUD	\$5.99 AUD
Any portion funded by a card	\$0.99 AUD + 2.6% of the portion funded +	\$2.99 AUD + 2.6% of the portion funded	\$5.99 AUD + 2.6% of the portion funded + fixed

	fixed fee based on the currency	+fixed fee based on the currency	fee based on the currency
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Sending Commercial Transactions

18.3 When no currency conversion is involved, there is no fee for sending Commercial Transactions (i.e., buying something).

Receiving Commercial Transactions

18.4 Fees for receiving Commercial Transactions are taken from the total transaction amount.

Type	PayPal Wallet Online and Invoicing Transactions*	Direct Card through PayPal Payments Pro – Hosted Solution and API	Virtual Terminal
Domestic Transactions	2.6% + fixed fee	1.75% + fixed fee	3.6% + fixed fee
Cross-border Transactions	3.6% + fixed fee	3.6% + fixed fee	4.6% + fixed fee

*Excludes direct card payments through PayPal Payments Pro - Hosted Solution and API, Virtual Terminal, Payflow, Braintree and PayPal Here. The fixed fees for each currency are in clause 18.9.

Receiving fees for Registered Charities and Not-For-Profit Organisations

18.5 Registered Charities and Not-For-Profit organisations may apply for the following special rates for receiving payments:

Domestic Transactions*	Cross-border Transactions*
1.1% + fixed fee	2.1% + fixed fee

*Excludes direct card payments through PayPal Payments Pro - Hosted Solution and API, Virtual Terminal, Payflow, Braintree and PayPal Here. The fixed fees for each currency are in clause 18.9.

PayPal Here

18.6 Fees for receiving (selling) with PayPal Here:

Type	Domestic Transactions	Cross-border Transactions
PayPal Here card reader	1.95%	1.95%
Manual card key-in	2.9% + fixed fee	2.9% + fixed fee
Invoice	2.6% + fixed fee	3.6% + fixed fee

Micropayment pricing

18.7 If you qualify as a seller for the micropayment pricing fees as set out in our [User Agreement](#), you will pay the lesser of the:

- Micropayment pricing fees shown in the table below; or
- Fees set out under clause 18.4 above.

Domestic	5% + fixed fee
Cross-border	5.5% + fixed fee

18.8 You can apply for the following micropayment fees. These fees apply to all Commercial Transactions you receive. If you have both a micropayment fees-enabled account and a standard pricing account, it is your responsibility to ensure payments are received to the appropriate account. Once a payment is received, you may not request it be processed through a different account.

Domestic	5% + fixed fee
Cross-border	6% + fixed fee

Fixed fees

18.9 Fixed fees are based on the currency received and transaction type.

Currency received	Personal Transaction fixed fee	Commercial Transaction fixed fee	Micropayments fixed fee
Argentine Peso	2 ARS	2 ARS	Not applicable
Australian Dollar	\$0.30 AUD	\$0.30 AUD	\$0.05 AUD
Brazilian Real	0.60 BRL	0.60 BRL	0.10 BRL
Canadian Dollar	\$0.30 CAD	\$0.30 CAD	\$0.05 CAD
Czech Koruna	10 CZK	10 CZK	1.67 CZK
Danish Krone	2.60 DKK	2.60 DKK	0.43 DKK
Euro	€0.35 EUR	€0.35 EUR	€0.05 EUR
Hong Kong Dollar	\$2.35 HKD	\$2.35 HKD	\$0.39 HKD
Hungarian Forint	90 HUF	90 HUF	15 HUF
Israeli Shekel	1.20 ILS	1.20 ILS	0.20 ILS
Japanese Yen	¥40 JPY	¥40 JPY	¥7 JPY
Malaysian Ringgit	2.0 MYR	2.0 MYR	0.2 MYR
Mexican Peso	\$4 MXN	\$4 MXN	\$0.55 MXN
New Zealand Dollar	\$0.45 NZD	\$0.45 NZD	\$0.08 NZD
Norwegian Krone	2.80 NOK	2.80 NOK	0.47 NOK
Philippine Peso	15 PHP	15 PHP	2.5 PHP
Polish Zloty	1.35 PLN	1.35 PLN	0.23 PLN
Russian Ruble	10 RUB	10 RUB	2 RUB

Singapore Dollar	\$0.50 SGD	\$0.50 SGD	\$0.08 SGD
Swedish Krona	3.25 SEK	3.25 SEK	0.54 SEK
Swiss Franc	0.55 CHF	0.55 CHF	0.09 CHF
Taiwan New Dollar	10 TWD	10 TWD	2 TWD
Thai Baht	11 THB	11 THB	1.8 THB
UK Pounds Sterling	£0.20 GBP	£0.20 GBP	£0.05 GBP
US Dollar	\$0.30 USD	\$0.30 USD	\$0.05 USD

Currency conversions – PayPal accounts

18.10 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 (described below) 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 any of the following transactions that involve a currency conversion in connection with your PayPal account, the currency conversion fee is 3.5% for converting to US Dollars or Canadian Dollars, and 4.0% for converting to all other currencies:

- Purchasing goods from a seller who does not accept payments in Australian Dollars.
- Sending money to a friend or family member in a currency that you do not hold at the time of the transaction.
- Sending money using PayPal’s Payouts or MassPay products in a currency that you do not hold at the time of the transaction.

For all other PayPal transactions involving a currency conversion, the currency conversion fee is 2.5%.

18.11 When your payment is funded by a debit or credit card and requires a currency conversion, you consent to and authorise PayPal to convert the currency in place of your debit or credit card issuer. You have the right to have your card issuer perform the currency conversion and can choose this option during checkout on your transaction review page before you complete the transaction. If your card issuer converts the currency, you'll be charged a rate set by them (shown on your statement), and you'll be subject to any fees and terms set by them related to the conversion.

18.12 PayPal will always perform the conversion for transactions where your PayPal balance or linked bank account is the payment method.

Chargeback fees

18.13 Chargeback fees are based on the currency received. Chargeback fees do not apply if the transaction is eligible for the PayPal Seller Protection Policy.

Currency	Chargeback fee	Currency	Chargeback fee
Argentine Peso	30 ARS	New Zealand Dollar	\$15 NZD
Australian Dollar	\$15 AUD	Norwegian Krone	65 NOK
Brazilian Real	20 BRL	Philippine Peso	500 PHP
Canadian Dollar	\$15 CAD	Polish Zloty	30 PLN
Czech Koruna	250 CZK	Russian Ruble	320 RUB
Danish Krone	60 DKK	Singapore Dollar	\$15 SGD
Euro	€11.25 EUR	Swedish Krona	80 SEK
Hong Kong Dollar	\$75 HKD	Swiss Franc	10 CHF
Hungarian Forint	2000 HUF	Taiwan New Dollar	330 TWD
Israeli Shekel	40 ILS	Thai Baht	360 THB
Japanese Yen	¥1,300 JPY	UK Pounds Sterling	£7 GBP
Malaysian Ringgit	40 MYR	US Dollar	\$10 USD
Mexican Peso	\$110 MXN		

Receiving eCheques

18.14 Fees for receiving eCheque payments are based on payment currency and will not exceed the cap specified below.

Currency	Cap
Argentine Peso	150 ARS
Australian Dollar	\$50 AUD
Brazilian Real	75 BRL
Canadian Dollar	\$45 CAD
Czech Koruna	850 CZK
Danish Krone	250 DKK
Euro	€35 EUR
Hong Kong Dollar	\$330 HKD
Hungarian Forint	9250 HUF
Israeli Shekel	160 ILS
Japanese Yen	¥4000 JPY
Malaysian Ringgit	150 MYR
Mexican Peso	\$540 MXN
New Zealand Dollar	\$60 NZD
Norwegian Krone	270 NOK
Philippine Peso	1900 PHP
Polish Zloty	140 PLN
Russian Ruble	1400 RUB
Singapore Dollar	\$60 SGD
Swedish Krona	320 SEK
Swiss Franc	50 CHF
Taiwan New Dollar	1350 TWD
Thai Baht	1400 THB
UK Pounds Sterling	£30 GBP
US Dollar	\$45 USD

Mass Payments and Payouts

18.15 The fee for Mass Payments and Payouts is 2% of the total payment amount.

A maximum payment cap per recipient applies, based on payment currency.

Currency	Domestic cap	Cross-border cap
Argentine Peso	4 ARS	150 ARS
Australian Dollar	\$1.25 AUD	60 AUD
Brazilian Real	2 BRL	100 BRL
Canadian Dollar	\$1.25 CAD	60 CAD
Czech Koruna	24 CZK	1000 CZK
Danish Krone	6 DKK	300 DKK
Euro	€0.85 EUR	40 EUR
Hong Kong Dollar	\$7 HKD	400 HKD
Hungarian Forint	210 HUF	15,000 HUF
Israeli Shekel	4 ILS	200 ILS
Japanese Yen	¥120 JPY	5000 JPY
Malaysian Ringgit	4 MYR	200 MYR
Mexican Peso	\$11 MXN	750 MXN
New Zealand Dollar	\$1.50 NZD	75 NZD
Norwegian Krone	6.75 NOK	300 NOK
Philippine Peso	50 PHP	2500 PHP
Polish Zloty	3 PLN	150 PLN
Russian Ruble	30 RUB	1500 RUB
Singapore Dollar	\$1.60 SGD	80 SGD
Swedish Krona	9 SEK	400 SEK
Swiss Franc	1.30 CHF	50 CHF
Taiwan New Dollar	33 TWD	2000 TWD

Thai Baht	36 THB	2000 THB
UK Pounds Sterling	£0.65 GBP	35 GBP
US Dollar	\$1 USD	50 USD

Commercial Transaction refund fee

18.16 If you issue a full refund of the Commercial Transaction payment, we will retain the full fixed fee portion of the Commercial Transaction fee. Your buyer's account will be credited with the full amount of the Commercial Transaction payment. We will debit your account with the amount initially credited to your account in connection with the Commercial Transaction payment and the full fixed fee portion of the Commercial Transaction fee.

18.17 If you issue a partial refund of the Commercial Transaction payment, we will retain the pro-rata share of the fixed fee portion of the Commercial Transaction fee. Your buyer's account will be credited with the amount you specify. We will debit your account with the pro-rata share of the amount initially credited to your account in connection with the Commercial Transaction payment and the pro-rata share of the fixed fee portion of the Commercial Transaction fee. Please refer to clause 19 for examples on the Commercial Transaction refund fee.

Other PayPal fees

18.18 In general, there is no fee to open a PayPal account. However, we may charge an expanded use fee to increase your sending limit. This fee is refunded to your PayPal balance when you successfully complete the card verification process.

The expanded use fee (verifying card details) can be up to \$2 AUD.

18.19 The records request fee is \$10 AUD (per item).

We will not charge for records requested in connection with your good faith assertion of an error in your account.

18.20 The fee for withdrawing your USD balance to your linked United States bank account is 2.5%. Any conversion of your PayPal balance from one currency to another currency will attract the corresponding currency conversion fee in clause 18.10.

18.21 The bank return fee is charged when a withdrawal attempt fails because incorrect bank account or delivery information is provided.

The bank return fee is \$5 AUD.

18.22 Virtual Terminal and PayPal Payments Pro – Hosted Solution and API incur a monthly fee. The monthly fee includes GST.

PayPal Payments Pro - Hosted Solution or API monthly fee	\$25 AUD
Virtual Terminal monthly fee	\$25 AUD
PayPal Payments Pro – Hosted Solution or API AND Virtual Terminal monthly fee	\$25 AUD

18.23 The Security Key Card is an electronic device that creates a unique security code that you use to log in to your PayPal account. The Security Key Card and any additional keys including replacements costs \$32.95 AUD each.

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19. Fee calculation examples

19.1 The following examples are illustrations only. Each calculation will vary depending on the circumstances of the transaction.

19.2 Example 1 - Commercial Transaction in Australia

Assuming you are receiving \$100 AUD from a buyer in Australia for a Commercial Transaction under the standard rate:

- Standard rate: 2.6% plus \$0.30 fixed fee.
- Calculation: 2.6% of \$100 AUD = \$2.60, plus \$0.30.
- Fee payable to us by the seller: \$2.90 AUD.

19.3 Example 2 - Commercial Transaction when the buyer is outside Australia

Assuming you are receiving \$100 AUD from a buyer outside of Australia for a Commercial Transaction under the standard rate:

- Standard rate (Cross-border Transaction): 3.6% plus \$0.30 fixed fee.
- Calculation: 3.6% of \$100 AUD = \$3.60, plus \$0.30.
- Fee payable to us by the seller: \$3.90 AUD.

19.4 Example 3 – Full refund of a Commercial Transaction payment

The following is an example of the refund fee for a full refund of a Commercial Transaction payment from a buyer in Australia:

- Amount from the buyer: \$100 AUD
- Seller will receive: \$97.10 AUD (\$100 AUD less \$2.60 AUD variable fee and \$0.30 fixed fee)
- 100% refund, buyer will receive: \$100 AUD
- Seller will be debited: \$97.40 AUD (the amount initially credited to your account \$97.10 AUD plus the \$0.30 fixed fee)

19.5 Example 4 – Partial refund of a Commercial Transaction payment

The following is an example of the refund fee for a partial refund of a Commercial Transaction payment from a buyer in Australia:

- Amount from the buyer: \$100 AUD
- Seller will receive: \$97.10 AUD (\$100 AUD less \$2.60 AUD variable fee and \$0.30 fixed fee)
- 50% refund, buyer will receive: \$50 AUD
- Seller will be debited: \$48.70 AUD [\$48.55 AUD (50% of the amount initially credited to your account) plus \$0.15 (50% of the \$0.30 fixed fee)]

20. Confirming our customers' identities under the Anti-Money Laundering and Counter-Terrorism Financing laws

20.1 We are committed to full compliance with all AML laws. To comply with legislative requirements and global sanctions, we screen all accounts. We are required to report suspicious transactions to the relevant government agencies in Australia and overseas.

20.2 We may confirm information when you use our services. This may include when you open a PayPal account, as part of a periodic account review process, and/or when your PayPal account balance reaches a certain level of funds.

How does this impact you?

20.3 We may be required to collect and confirm information about your identity. In doing this, we may ask you to provide documentation and information.

20.4 To enable us to confirm your identity, we may disclose personal information such as your name, date of birth and address to a credit reporting agency (**CRA**) or identity verification service to obtain an assessment of whether that personal information matches information held by the CRA or identity verification service. The CRA or identity verification service may use personal information about you and other individuals in their files to report to us on that assessment. If we are unable to confirm your identity using information held by a CRA or identity verification service we may do so using an alternative method acceptable to us.

20.5 While your identity is being confirmed, or if we are unable to confirm your identity, we may be unable to provide some or all of our services to you in accordance with our obligations under AML laws. This may mean one or more of the following:

- You cannot send or withdraw funds from your account;
- You cannot receive funds into your account;
- Access to your account and the funds in it is limited for an extensive period or indefinitely;
- Funds in your account are returned to the sender; and
- Funds are subject to the applicable laws regarding unclaimed monies.

21. Verifying your payment method and transaction limits

Maximum amount per transaction

21.1 To help protect the integrity of our payment system, limit the risk of money laundering and terrorism financing and to prevent fraud, most customers are subject to a limit on the amount they can send or receive in a single transaction. This limit may be raised or lowered at our sole discretion to address transaction risks or if you provide additional documentation.

Unverified PayPal accounts

21.2 If your PayPal account is unverified, a lower limit is imposed on the cumulative total value of payments and monthly cumulative value of transfers you can make from your PayPal account. The amount of these limits is variable and set at our discretion. You may need to verify your account to increase these limits.

Verified PayPal accounts

21.3 We verify PayPal accounts and payment methods to safeguard your security and limit fraud. By identifying a PayPal account as 'verified', we are only representing that the PayPal account holder has completed the steps set out in this clause 21. By attributing a 'verified' status to a PayPal account, we do not guarantee, undertake or otherwise represent that they will complete a transaction or that they have satisfied any requirements under AML laws.

21.4 You cannot verify any bank account linked to your PayPal account if it is held with a financial institution in the United States of America.

21.5 If you verify your account, we will generally raise the limit on the cumulative total of payments and transfers you can make.

21.6 You can raise your sending and withdrawal limits by becoming verified.

21.7 We reserve the right to control sending and transfer limits and may require additional information from you depending on your location, credit rating and other factors.

PayPal withdrawal limits

21.8 We may also place limits on the amount you can withdraw from your PayPal balance to your linked bank account. There is an initial withdrawal limit which is usually \$700 AUD per calendar month. You need to verify your account to withdraw more than the withdrawal limit.

21.9 We may limit withdrawals and require additional information from you depending upon your location, verification information and other factors.

22. Third party card fees

22.1 When you use your card to fund a purchase you will be subject to the usual fees and interest, if any, charged by your card provider.

23. Complaints and contacting us

23.1 For information about submitting complaints and how we handle them, our membership of AFCA and our contact details, please refer to Part 1, clauses 3 and 7.

24. Other related documents

24.1 Our User Agreement and its underlying policies, referred to in this Combined FSG and PDS but not provided in full detail, is available free of charge on request and also by clicking directly on the links in this document.

24.2 You should read the [PayPal User Agreement](#) and [PayPal's policies](#) as they contain further terms and conditions that may apply to you as a user of our services. Amongst other things, they describe the legal relationship between you and PayPal, your rights and obligations, and PayPal's right and obligations.

PART 3: Definitions

Some of the terms in this document are explained where they first appear. However, others are capitalised and defined below for clarity.

Commercial Transaction	A payment that is sent or received for goods or services.
Cross-border Transaction	A transaction where either the sender or receiver has a PayPal account other than an Australian PayPal account.
Domestic Transaction	A transaction where both the sender and receiver have Australian PayPal accounts and the currency sent and received is Australian dollars.
GST	Has the meaning set out in <i>A New Tax System (Goods and Services) Act 1999 (Cth)</i> .
Mass Payment or Payouts	Functionality that allows PayPal premier and business account holders to send money to multiple recipients simultaneously.

PayPal, we, us and our	PayPal Australia Pty Ltd ABN 93 111 195 389 AFSL 304962.
PayPal Here	The service that allows business and premier account holders to accept payments using the PayPal Here app via select smartphones, tablets or other devices in accordance with the PayPal Here Terms and Conditions .
Personal Transaction	Sending or receiving money using your PayPal account without making a purchase, i.e. the payment is not for goods or services.

The PayPal service is provided by PayPal Australia Pty Limited (ABN 93 111 195 389) which holds Australian Financial Services Licence number 304962. Any information provided is general only and does not take into account your objectives, financial situation or needs. Please read and consider the [Combined Financial Services Guide and Product Disclosure Statement](#) before acquiring or using the service.

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