

# Vendor Payouts Terms and Conditions

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Vendor Payouts (hereinafter “Service”) is a PayPal service, provided by PayPal Payments (Beijing) Co., Ltd. (hereinafter “PPCN” or “us”) to you.

These terms and conditions (hereinafter “Terms”) are a contract entered into between you and us governing your use of the Service. You agree to these Terms and [Privacy Policy](#) by using the Service.

Pursuant to these Terms, you may request to pay to a bank account in China (hereinafter “Vendor Bank Account”) opened by your Designated Vendor (as defined below) with the funds held in your Linked Offshore Account (as defined below) that are received from an Eligible Transaction (as defined below). Each request is a cross-border payment request under the Service.

These Terms are in addition to the [User Agreement for PayPal Payment Services](#) and/or [User Agreement for PayPal China Cross-Border Payment Services](#) (as applicable, each a “China User Agreement”), and its incorporated terms of services and policies, including [PayPal Worldwide Terms of Service](#), where applicable, the [Acceptable Use Policy](#) and [Privacy Policy](#). The Service is part of the “PayPal Services” referred to in the China User Agreement. Capitalized terms used but not otherwise defined in these Terms shall have the meanings specified in the China User Agreement. To the maximum extent possible, these Terms and the China User Agreement should be interpreted as a consistent whole document. Where a conflict of interpretation arises, these Terms shall override the China User Agreement with respect to such conflict.

## Definitions

“**PayPal Account**” refers to the PayPal account opened by you with PPCN under the China User Agreement.

“**PayPal Affiliate(s)**” refers to PayPal, Inc. and/or any entity owned or controlled by, owning or controlling, or under common ownership or control with, PayPal, Inc. Without prejudice to the generality of foregoing, PayPal Pte. Ltd. and PayPal Hong Kong Limited. are PayPal Affiliates.

**“PayPal Service Cooperative Party(ies)”** refers to any PayPal Affiliate(s), bank, non-banking financial institution(s), clearing network(s), company(ies) and any other entity(ies) collaborating with us for the purpose of providing the Service to you.

**“Linked Offshore Account”** refers to the PayPal account opened with a PayPal Affiliate by you or a different entity, as applicable, which is associated with your PayPal Account for the purpose of the Service. PPCN is entitled to review, approve and place controls on any PayPal account associated and/or purported to be associated with your PayPal Account under these Terms, including, but not limited to, the identity and account number of the PayPal account(s). For the purpose of these Terms, a Linked Offshore Account may include a PayPal account opened with PayPal Pte. Ltd. and/or PayPal Hong Kong Limited.

**“Eligible Transactions”** refers to cross-border transactions carried out directly or indirectly by you and/or the owner of the Linked Offshore Account, on your behalf, and/or for your interest, which can be lawfully declared in your name for the purpose of any applicable regulatory reporting under the Service. Eligible Transactions shall comply with applicable Laws and regulations of People’s Bank of China and State Administration of Foreign Exchange of China. PPCN is entitled to review, approve and decline any Eligible Transaction for the purpose of the Service.

**“Designated Vendor”** refers to vendor payees added in your PayPal Account. PPCN is entitled to review, approve and decline any Designated Vendor for the purpose of the Service.

## **Where the Owner of Your Linked Offshore Account is a Different Entity**

Where the owner of the Linked Offshore Account is a different entity, you specifically represent, warrant and undertake to us that for the purpose of, and during your entire use of, the Service:

(i) Pursuant to written legal and valid arrangements, the owner of the Linked Offshore Account is legally and properly authorized to (a) carry out cross-border trading activities under the Linked Offshore Account and any associated procurement on your behalf and/or for your benefit, including but not limited to the purchase of goods and services from Designated Vendor, and (b) access and operate your PayPal Account, including but not limited to initiating payments to your Designated Vendors from your PayPal Account under the Service. All trading and procurement activities carried out on your behalf and/or for your benefit under the Linked Offshore Account and/or your PayPal Account are in compliance with applicable Laws and regulatory requirements.

(ii) You are entitled to debit any funds received into the Linked Offshore Account on valid and subsisting legal and/or contractual grounds, free of any claims, encumbrance and/or disputes, whether or not related to a third party. The owner of the Linked Offshore Account has given valid, adequate and subsisting consents and authorizations, including but not limited to consent to data sharing and debit authorization in relation to the Linked Offshore Account.

Should you breach any of the foregoing representations, warranties and undertakings at any time, you agree to assume full responsibility and to indemnify and hold us, PayPal Affiliates, PayPal Service Cooperative Parties, as well as their respective employees, officers, and agents harmless from any losses or liabilities.

### **Activation of the Service**

You have registered for a PayPal Account through a portal, a web page, a website or any other user interface provided by PayPal (hereinafter collectively referred to as the “PayPal Platform”) pursuant to the China User Agreement and applied for activation of the Service.

For the purpose of activating and using the Service, you agree to provide us (and procure to be provided to us where the owner of the Linked Offshore Account is a different entity) with all relevant information, and authorize us (and procure effective authorization to us where the owner of the Linked Offshore Account is a different entity) to collect from PayPal Service Cooperative Parties any information that we deem necessary to review and evaluate Eligible Transactions and adjust any payable balance enabled under the Service, including information relating to the personal identity and business identity of you and the owner of the Linked Offshore Account, risk control information, transaction information, account information, financial information, order information, payment information, logistics information and any other records and documents relevant to the transaction verification. You understand and agree that any displayed payable balance (or collectible and/or payable service amount or the equivalent) under the Service is merely a service quota which is adjustable from time to time and is not the same as or equal to any balance held in the Linked Offshore Account. You agree, and undertake to procure consents where necessary, that we may share any such information obtained relating to you and/or the owner of the Linked Offshore Account with PayPal Service Cooperative Parties for the purpose of the Service. You acknowledge you have carefully read and fully understand the [Privacy Policy](#) of PPCN.

We enable you to use the Service on the condition that we complete our review and approval of the information you provide to us.

### **Service Rules and Fees**

After activation of the Service, you may initiate payment requests in such ways as prescribed on the PayPal Platform and in specific currencies enabled under the Service. The payment request is a cross-border settlement instruction provided by you to us. After initiation of your request, we will process the cross-border settlement instruction on your behalf in accordance with your payment request, in collaboration with PayPal Cooperative Service Parties, including the currency conversion through PayPal Cooperative Service Parties, filing data and reports pursuant to applicable Laws and regulatory requirements, and settlement of the funds into your Vendor Bank Account.

After activation of the Service, you agree to act in a timely manner to continue to provide us (and procure to be provided to us where the owner of the Linked Offshore Account is a different entity) with all relevant information and authorize us (and procure effective authorization to us where the owner of the Linked Offshore Account is a different entity) to collect from PayPal Service Cooperative Parties any information we deem necessary to continuously review and evaluate Eligible Transactions, verify payment requests and adjust payable balance (or collectible and/or payable service amount or the equivalent) enabled under the Service, including information relating to the personal identity and business identity of you and the owner of the Linked Offshore Account, risk control information, transaction information, account information, financial information, order information, payment information, logistics information and any other records and documents relevant to the transaction verification. We may from time to time request you to provide us with updated information (or otherwise correct information previously provided) if we deem necessary, pursuant to applicable Laws and regulatory requirements. You undertake to fulfill our request of information and procure effective fulfillment of our request of information where the owner of the Linked Offshore Account is a different entity in a timely manner, otherwise your use of the Service may be rejected, suspended or terminated. Please carefully read the [Privacy Policy](#) of PPCN. You undertake to reply to our request in a timely manner and provide us with genuine, accurate, complete, updated and effective information. You shall be solely responsible for all liabilities, losses and consequences as a result of your provision of any information that is untrue, inaccurate, incomplete, and/or ineffective.

You are not allowed to revoke your payment request once initiated. You are not allowed to refund, return, withdraw, spend, transfer, convert into another currency or otherwise use any funds that are the subject of a payment request.

We and each of the PayPal Service Cooperative Parties are respectively entitled, under applicable Laws and regulatory requirements and service rules, to determine any payable balance (or collectible and/or payable service amount or the equivalent) and verify payment requests including reviewing and determining the type, amount, details and background

information of Eligible Transactions, to partially or completely refuse any payment request for the purpose of complying with relevant legal requirements, risk control, system security or policy considerations, to return funds, to set limitations on a single transaction amount or aggregated transaction amounts and/or to restrict the frequency of transactions, and to update any limitations and restrictions from time to time. You acknowledge that you are solely responsible for all liabilities, losses and consequences as a result of any delayed settlement, settlement failure, fund return, delayed deposit into the Vendor Bank Account, fees and costs incurred and conversion rate fluctuation. You acknowledge that any information displayed on the PayPal Platform in relation to the payable balance (or collectible and/or payable service amount or the equivalent) and/or processing time is on an estimated basis meant for your reference only, and such information does not constitute any representation, promise, or guarantee under these Terms and shall not give rise to any expectation or reliance by you.

For the purpose of risk control, we and each of the PayPal Service Cooperative Parties are respectively entitled to investigate, verify, reject, delay settlement, suspend service and/or take any actions we or PayPal Service Cooperative Parties deem appropriate in the case of any suspected money laundering, terrorist financing, tax evasion, non-compliance with respect to sanctions, violation of foreign exchange control policies, illegal transaction, untrue or wrong transaction, fraudulent transaction or any breach of provisions under these Terms, or in any case where we are similarly entitled pursuant to the China User Agreement, and to terminate the Service and these Terms, to disclose and report to regulatory, judicial and any other relevant authorities. You shall not lodge any lawsuits or claims against us or any of the PayPal Service Cooperative Parties, and you shall be solely responsible for all consequent liabilities and losses.

You acknowledge and confirm that PPCN is entitled to reject, suspend and/or terminate the Service if any of the consents to data sharing, debit authorizations, and/or account association under the Service made by you or the owner of the Linked Offshore Account is interrupted, failed, invalidated, terminated, or revoked for any reason, voluntarily or involuntarily.

You may request termination of the Service, and we will handle your request accordingly within a reasonable time. If any payment request you have initiated has not been completed, or there is any information pending review with respect to your PayPal Account and/or the Service when you request termination of the Service, we and PayPal Service Cooperative Providers shall continue to process such payment request and complete the payment to your Vendor Bank Account, and shall complete our review of any such information, as applicable, unless the payment request or information review is not permitted under applicable Laws or regulatory requirements.

You acknowledge and confirm that if you request termination of the Service, we may accordingly notify the PayPal Affiliate(s) to whom the debit authorization and account association are made under the Service. The PayPal Affiliate(s) is entitled to follow, immediately suspend or terminate the relevant debit authorization and account association, or otherwise take any actions as it otherwise deems appropriate. If you have any questions, you should promptly contact the PayPal Affiliate(s) for confirmation.

You acknowledge and confirm that PPCN is entitled to decline your request to associate your PayPal Account with a different Linked Offshore Account or your request to re-associate your PayPal Account with the same Linked Offshore Account, during or after the termination of the Service, including but not limited to the circumstance where you re-apply for the Service after you have requested the termination.

You and/or the owner of the Linked Offshore Account, as applicable, shall be solely responsible for all fees and costs under the Service, including service fees related to the payment request processing and costs related to the currency conversion. You agree that you shall also be responsible for any applicable tax, including any value added tax applicable to service fees.

We will set out provisions on service fees and currency conversion costs applicable to you and/or the owner of the Linked Offshore Account under the Service on the PayPal Platform. If we update any provisions on service fees and currency conversion costs, we will display accordingly at the time of your actual use of the Service. You shall, prior to each payment request, carefully read through all provisions of services fees and currency conversions. If you initiate any payment request, you are deemed as having understood and accepted all the provision of fees and costs in their entirety for the Service as specifically applicable to you.

For the purpose of providing the Service, we will process your payment request pursuant to your specific instructions. In case where the currency conversion is completed through PayPal Service Cooperative Parties outside of PRC, you understand and accept that the transaction exchange rate is formed on a base exchange rate, inclusive of a currency conversion fee applied by PayPal Service Cooperative Parties, and is subject to regular adjustments. The base exchange rate is typically based on rates quoted at the wholesale currency markets on the conversion day or the prior Business Day, unless otherwise required by applicable Laws and regulatory requirements. In cases where the currency conversion is completed through PayPal Service Cooperative Parties in China, we will not charge any currency conversion fees separately in compliance with applicable Laws.

Neither us nor any of the PayPal Service Cooperative Parties shall be liable for any loss resulted from a currency exchange rate fluctuation in any event.

You agree that all fees and costs that you are responsible for in connection with the Service will accrue upon your initiation of the payment request and will be immediately deducted from the funds to be processed under the Service.

### **We are not responsible for any transaction disputes against you or the owner of the Linked Offshore Account**

We are not involved in any of transaction disputes or claims for compensation of losses against you or the owner of the Linked Offshore Account, and shall not be held responsible for any liabilities thereof.

You and/or the owner of the Linked Offshore Account shall be fully responsible for any complaint and dispute under any applicable contracts, arrangements and policies, which may arise from time to time during your ordinary course of business with any of your transaction counterparties, payors, vendors, customers or payees, including but not limited to any fees, costs, deductions, reserves, withholdings, provisions, reversals, off-sets or otherwise. You agree to assume full responsibilities and to indemnify and hold us, PayPal Affiliates, PayPal Service Cooperative Parties, as well as their respective employees, officers, and agents harmless from any losses or liabilities.

You shall properly keep, and procure that the owner of the Linked Offshore Account keeps, where applicable, the relevant transaction data and written proof, including but not limited to orders, proof of logistics and relevant documents signed by the customers when accepting goods and/or services, as well as orders, contracts, proof of logistics, customs clearance documents, tax payment certificates and other related documents between your vendors (including but not limited to Designated Vendor(s)) and you and/or the owner of the Linked Offshore Account, where applicable, for at least one year from the relevant transaction date or the termination of these Terms, whichever is later. You shall publish or procure to be published where the owner of the Linked Offshore Account is a different entity, a refund and return policy, as well as a privacy policy pursuant to the relevant requirements of applicable Laws.

### **Your Representations and Warranties**

You specifically represent and warrant to us that:

(i) You are not a financial institution or other institution engaged in business of credit and loans, trust, investment, fund, real estate, securities, insurance, financing, wealth management, guarantees, factoring, capital, currency exchange or any other financial business.



- (ii) You have full legal capacity, have obtained and possess all necessary qualifications, authority, authorizations and consents to designate, add and modify the Vendor Bank Account and use the Service.
- (iii) You are acting for your own account in using the Service and not acting as an agent or third-party beneficiary.
- (iv) Any information and documents you provided to us and/or allow us to collect and access, are true, accurate, complete and not misleading in any aspect.
- (v) Any transaction information and documents you provided to us and/or allow us to collect and access, are legal, complete, valid and traceable, and to your knowledge, none of which has been accessed by or provided to a bank or any other institution for the purpose of filing original data and documents for cross-border transactions.
- (vi) You shall use the Service solely for the purpose of settlement of lawful and genuine cross-border trade transactions under applicable Laws and regulations, and payment for goods, services and licensing with genuine trading needs in compliance with applicable laws and regulations. You shall not use the Service to defraud us or PayPal Service Cooperative Parties, engage in any unlawful activities or activities infringing upon the legal rights and interests of any person, or provide any products or services prohibited or restricted by applicable Laws and regulatory requirements. You undertake to comply with the **Acceptable Use Policy** of PPCN.
- (vii) You shall not evade any applicable Laws or regulatory requirements by way of falsifying a transaction, splitting one transaction into a number of small transactions, or by abusive use of any transaction information. You undertake not to provide any transaction information in relation to any Eligible Transaction that has already been provided to us or any other institution or bank for the purpose of filing original data and documents for cross-border settlement.
- (viii) You shall designate, add and modify the Vendor Bank Account and use the Service in good faith and in compliance with all applicable Laws, including tax requirements. You shall not use the Service in a manner that may result in complaints, disputes, claims, penalties or other liabilities to us, PayPal Service Cooperative Parties or any other third parties, or may be regarded as an abuse of PayPal Services.
- (ix) Neither the association with Linked Offshore Account, designating, adding or changing a Vendor Bank Account, nor any use of the Service is intended for or could give rise to any breach or potential breach of any existing obligations binding on you, legal, contractual and otherwise, including but not limited to tax evasion, evasion of investigations, illegal assets



transfers, evasion of proceedings, incompliant booking of accounts or financial records and defrauding creditors.

(x) You shall be solely responsible for and properly pay any fees, disbursements and/or taxes under applicable Laws and regulatory requirements, including but not limited to any late payment fees, charges and/or penalties thereof.

If at any time we believe you are in breach of any of the foregoing provisions, representations and warranties, we are entitled to investigate, delay or refuse settlement or stop providing the Service, and you shall be solely responsible for any relevant legal liabilities. You shall be liable for any losses we may suffer as a result thereof.

### **Disclaimer and Liability Limitations**

THE SERVICE IS PROVIDED "AS-IS" AND WITHOUT ANY REPRESENTATION OR WARRANTY, WHETHER EXPRESS, IMPLIED OR STATUTORY. PPCN SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.

We are not liable for any failure to provide the Service resulting from the following circumstances:

- (i) our system shuts down for maintenance or system upgrade;
- (ii) a hurricane, earthquake, fire, flood, thunder, epidemic spread or other similar cause beyond reasonable control;
- (iii) an outbreak or escalation of hostilities, war, riots or civil disorders, or an act of terrorism or other similar cause beyond reasonable control;
- (iv) failures of networks, computers, telecommunications, communications, power supply or any system, equipment or circuits failures;
- (v) causes of virus, trojan malicious program attack, network congestions and system instability;
- (vi) acts, omissions or service defaults of banks, clearing networks, government or any other third parties; and
- (vii) improper user conducts or use of our Services in an unauthorized or unapproved manner.

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 Laws, we are not liable, and you agree not to hold us responsible, for any damages or losses (including, but not limited to, loss of money, goodwill, reputation, profits or other intangible losses or any special, indirect, or consequential damages).

## **Miscellaneous**

We may amend these Terms and any of the other agreements and policies that apply to you from time to time. The revised version will be effective from the time we post it on the [Legal Agreements](#) page of our website, unless otherwise required by applicable Laws. Without prejudice to the foregoing, if our changes reduce your rights or increase your responsibilities, we will post a notice on the Policy Updates page of our website providing you with at least 30 days advance notice. All future changes set out in the Policy Updates page which, at the time you register for PayPal Services, have been published on the [Legal Agreements](#) page of our website are incorporated by reference into these Terms and will take effect as specified in the relevant Policy Update(s).

If you do not agree to the revised terms and conditions, you must stop using the Service, and terminate your service relationship with us. These Terms shall continue to apply to all your previous use of the Service.

These Terms and any directly or indirectly related documents shall be written in Chinese. Any translation of these Terms is provided solely for your convenience and does not, and is not intended to, modify the terms of these Terms. In the event of a conflict between the Chinese version of these Terms and a version in a language other than Chinese, the Chinese version shall prevail.

These Terms will be governed by and interpreted in accordance with the PRC laws, without regard to conflict of law provisions. Except as otherwise agreed by the parties, you agree that any claim or dispute arising from or in connection with these Terms shall be submitted to China International Economic and Trade Arbitration Commission (CIETAC) for arbitration which shall be conducted in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. The arbitral award is final and binding upon both parties.

We reserve the right to suspend or terminate the provision of the Service, and these Terms at any time and for any reason whatsoever, without being liable to you or to any third party for doing so. We may notify you accordingly only if we consider appropriate. Any provisions in respect of your representations and warranties, compensatory liabilities, governing law,

dispute resolutions and disclaimers and liability limitations shall survive the termination of the Service and these Terms.

**You acknowledge that you have carefully read through and fully understand the China User Agreement and undertake to fully comply with all of the above.**