

ECA Seller Reserves Terms and Conditions

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These Seller Reserves Terms and Conditions (the “ECA Reserve Terms”) set out the terms on which eBay Commerce Australia Pty Ltd (“ECA”, “we” or “us”) may require a reserve of your transaction proceeds. These terms are in addition to the terms set forth in the Payments Terms of Use (the “Payments Terms”). In the event of a conflict between these ECA Reserve Terms and the Payments Terms, the ECA Reserve Terms shall apply.

I. Types of Reserves

Pursuant to Part I, Section 7 of the Payments Terms, we may require a reserve of your transaction proceeds to manage risk or secure your obligations under the Payments Terms (the “Reserve”). Reserves may be in the form of rolling and/or minimum reserves, as defined in the Payments Terms.

II. Reserve Notice

We will notify you in writing of any Reserve that is required of you (the “Reserve Notice”). The Reserve Notice will state the date that the Reserve requirement will apply to your transaction proceeds (the “Reserve Effective Date”) and the factors we used to determine your placement in the Reserve program.

If you are subject to a rolling reserve, the Reserve Notice will also state: (i) the set percentage or amount of your transaction proceeds we will contribute to the Reserve Account (as defined below) (the “Reserve Percentage,” if described as a percentage of your transaction proceeds, and “Reserve Amount,” if described as fixed amount of your transaction proceeds); and (ii) the period of consecutive days for which we will hold the Reserve funds in the Reserve Account before releasing them to you on a rolling basis (the “Rolling Window”).

If you are subject to a minimum reserve, the Reserve Notice will state the amount of money that must be held in the Reserve Account and the period of time we will hold the funds in Reserve (the “Reserve Period”).

Following receipt of the Reserve Notice, you may view the balance of the Reserve funds held by us in the Reserve Account under the Payments tab in Seller Hub. We reserve the right to raise, lower, or remove the Reserve requirement at any time upon notice to you, based on the risk factors set out in the Payments Terms.

You may contact us to request a reconsideration of your Reserve requirement following receipt of a Reserve Notice if you believe you have additional information that may affect our evaluation of the risk associated with your use of eBay services. If you request a reconsideration, we will consider any additional information shared with us in good faith. We will notify you when we no longer require a Reserve of your transaction proceeds.

III. The Reserve Account

If we require a Reserve, the funds contributed to the Reserve Account constitute collateral held by eCA to secure your obligations under the Payments Terms and are a condition to you using our Payment Services. Funds contributed to the Reserve Account are held in the name of eCA in a separate non-interest bearing bank account, segregated from eCA’s operating funds, for the exclusive purpose of holding Reserve funds (the “Reserve Account”).

By accepting the Payments Terms, you authorize ECA to contribute the Reserve Percentage or the Reserve Amount to the Reserve Account to be held in an equity trust by eCA until such time that it is released to you, or otherwise applied towards Owed Amounts in conformity with these ECA Reserve Terms. **You further grant ECA a security interest in and lien on any and all funds held in the Reserve Account and agree to execute any additional documentation as may be required for eCA to create or perfect its security interest in any Reserver funds in the Reserve Account.** You further agree to refrain from registering a security interest, or conveying any right, title or interest in your transaction proceeds or the Reserve Account to any other person.

IV. Releasing Funds from the Reserve

Funds contributed to the Reserve Account will remain in the Reserve Account until the expiry of the Reserve Window or Reserve Period, as applicable. Funds released from the Reserve will appear in your available funds.

If you are on rolling reserves and you send a buyer a full or partial refund for an order that was subject to the Reserve, we will fund the refund from your pending payouts, or other payment method on file pursuant to the Payments Terms, then we will release the pro-rata portion of the refunded transaction held in the Reserve Account to your available funds.

We will also release funds from the Reserve Account if we determine in our sole discretion that the risk associated with your account no longer requires a Reserve.

V. Seizing Funds from the Reserve

We may seize all or a portion of the funds held in the Reserve Account for any Owed Amounts. If we seize funds from the Reserve Account, we will only apply the seized amount to the balance of outstanding Owed Amounts. In no event will we seize funds from the Reserve Account in excess of the outstanding Owed Amounts. Owed Amounts are defined in the Payments Terms and include, but are not limited to:

- Reimbursement(s) owed to the eMBG Service Provider for buyer refunds paid on your behalf under the applicable eBay Buyer Protection Programs.
- Reimbursement(s) for refunds paid to a buyer for a payment Dispute decided in the buyer’s favor.

- Owed Amounts arising from a Default Event (as defined below).

Default Event

A “Default Event” occurs if a voluntary or involuntary insolvency proceeding is commenced against you, or if all of the following occur:

- Owed Amounts have been outstanding for at least 30 days;
- You have been notified of outstanding Amounts Owed by you under the Payments Terms; and
- We have placed a hold, restriction or suspension on your account.

When a Default Event occurs, we will seize funds from the Reserve Account and apply the seized funds to the balance of outstanding Owed Amounts payable by you under the Payments Terms.

Following the Default Event, you may view the Owed Amounts set off by the Reserve in your transaction history, and the balance of the Reserve Account within Seller Hub.

- If a Default Event occurs and the amount held in Reserve is sufficient to cover outstanding Owed Amounts, then we may reinstate your account and your listing privileges, subject to any other restrictions, holds or limitations set forth in the Payments Terms or any applicable eBay User Agreement. We reserve the right to impose a new Reserve following reinstatement of your account.
- If a Default Event occurs and the amount held in Reserve is not sufficient to cover outstanding Owed Amounts, we will set-off the Owed Amounts up to the amount of funds seized from the Reserve Account. Any holds, restrictions, or suspensions placed on your account will remain on your account until such time that we collect on the remainder of the Owed Amounts using any collection means set forth in the Payments Terms. We may reinstate your account following settlement of Owed Amounts in full, subject to eBay User Agreement and the Payments Terms.

VI. Amendment

We may update the ECA Reserve Terms by notifying you of the changes in writing (for example, by posting the amended ECA Reserve Terms on the eBay website, including the Seller Hub or the eBay Message Centre). All amended terms will automatically be effective 14 days after they are initially posted. The amended terms may come into effect sooner, depending on the circumstances giving rise to the need to change the ECA Reserve Terms. For example, policies may come into immediate effect as a result of changes in regulatory requirements.

VII. Account Closure

If you or we should terminate our Payment Services under Part I, Section 11 of the Payments Terms, any Reserve required of you by us under these ECA Reserve Terms shall remain in effect for the duration of any applicable Reserve Window or Reserve Period (not to exceed 180 days) (the “Post-Closure Period”). During the Post-Closure Period, we will continue to hold Reserve funds in the Reserve Account, and release funds to you at the end of the Reserve Period, pursuant to the terms of your Reserve Notice and these ECA Reserve Terms.

Posting Date: December 8, 2022.