

## Privacy and Data Protection

### Questions and Answers in relation to Safe Harbor and

#### Braintree Payment Services Agreement

*In light of the European Court of Justice's decision on October 6, 2015, regarding the EU-US Safe Harbor Framework, we are including the EU Personal Data Standard Contractual Clauses, commonly referred to as "model clauses", as an Addendum to the Braintree Payment Services Agreement.*

#### **Q1: What did the European Court of Justice decide regarding the EU-US Safe Harbor Framework?**

A1: On October 6, 2015, the European Court of Justice determined that the EU-US Safe Harbor Framework does not provide a valid legal basis for transfers of personal data from the European Union ("EU") to the U.S.

#### **Q2: What is the EU-US Safe Harbor Framework?**

A2: The EU-US Safe Harbor Framework was established by the European Commission and the U.S. Department of Commerce in 2000 to facilitate transfers of personal data from the EU to eligible U.S. companies that certify to and comply with the Safe Harbor principles.

#### **Q3: What does the European Court of Justice's decision mean for the Braintree Payment Services Agreement?**

A3: Although we are a data processor established in Luxembourg, we may use subcontractors in the US for providing our services to our merchants established in the EU.

Consequently, we have amended Section 2 of Exhibit A (*Data Protection / Customer Data*) of the Braintree Payment Services Agreement to incorporate the European Commission's standard contractual clauses, commonly known as "model clauses", by way of an EU Personal Data Standard Contractual Clauses Addendum (the "Addendum"). This allows the processing of the personal data of our EU based merchants by any of our U.S. subcontractors.

#### **Q4: What are the model clauses?**

A4: The model clauses are standard contractual clauses approved by the European Commission, which allow the contracting parties to legalize the cross-border transfer of personal data from the EU to any third party established outside of the EU where the local data protection requirements are not adequate.

#### **Q5: How are model clauses incorporated into the Braintree Payment Services Agreement?**

A5: Unless you have local filing requirements, you don't need to do anything as the changes related to Section 2 of Exhibit A (*Data Protection / Customer Data*) of the Braintree Payment Services Agreement will automatically become effective to meet the requirements of the European Court of Justice ruling on Safe Harbor.

However, please note that if you are established in a country where you have to comply with specific requirements from the local Data Protection Agency or if you want the Addendum to become effective

immediately, you may print and sign the Addendum to be able to notify your local Data Protection Agency or apply for any authorization before your local Data Protection Agency. To this effect, please note that the Addendum has been electronically pre-executed by the relevant PayPal entities.

You will be deemed to have consented to the changes related to Section 2 of Exhibit A (Data Protection / Customer Data) of the Braintree Payment Services Agreement unless you explicitly dissent before 18 May 2016. If you don't agree, please let us know before 18 May 2016 and we will close your merchant account(s) immediately without incurring any additional charges.

**Q6: Is the Data Processing Addendum available in any other languages?**

A6: This FAQ and the Data Processing Addendum is only available in English language.

**Q7: What if I have additional questions?**

A7: Please contact us at [dataprivacy@braintreepayments.com](mailto:dataprivacy@braintreepayments.com).