



Press Release
August 28, 2019
PayPay Corporation

PayPay to Introduce a Compensation System for Fraudulent Uses **～Ensuring Security for “PayPay” Usage～**

PayPay Corporation, a joint venture of SoftBank Group Corp., SoftBank Corp., and Yahoo Japan Corporation, will introduce a compensation system for fraudulent uses to enhance security of the users and merchants. The details of compensation will be stipulated in the Terms of Use for users and the Terms and Conditions of the merchants and will be effective as of August 28, 2019.

PayPay Corporation conducted a survey which we identified that one of the reasons that people do not use smartphone payment service is due to their concerns of fraudulent uses and came to understand the strong need for compensation system. PayPay implements multiple fraud prevention measures for credit card registration including 3D Secure authentication and the fraud rate has reduced significantly compared to when the service started. However, in order to become an even secured service, full compensation will be stipulated in case of fraudulent uses by a third party.

When users becomes victims of a fraud using “PayPay” service, PayPay will compensate full amount of the damage. Full compensation will be applicable to fraudulent cases using PayPay service by using bank account information, etc., of non “PayPay” users.

■ Compensation system for users

In the event of fraudulent uses in any of the services we provide, such as payment, top-up, P2P transfers by stolen account, bank account, and credit card information, PayPay will, in principal, compensate the full amount. Frauds made through “PayPay” for non “PayPay” users without PayPay accounts will also be compensated.

* Please contact your Credit Card issuers if they compensate fraudulent uses of their Credit Cards.

* There will be cases that compensation may not be applicable if the fraudulent use was intentional or was due to a critical misuse by the person who claims as the victim.

*For Compensation, claim for damages and following specific procedures, such as reporting to the police and inspection by PayPay side will be required. Please refer to the “Terms related to PayPay’s Compensation System” for details.

■ Payment guarantee for merchants when compensation occurred to their customers.

Even if a fraudulent transaction was made by a malicious person on a “PayPay” transaction to “PayPay”

merchants, PayPay will, in principal, compensate the full amount of the transaction to our merchants. PayPay shall cover the compensation amount that merchants compensated to their customers and will not require the merchants to cover this cost.

* There will be cases that we will not guarantee the payment and would request costs if the fraudulent use was intentional or was due to a critical misuse by the merchant.

■ **Inquiries and Contacts:**

Phone and contact form inquiries will be supported 24 hours/ 365 days.

« PayPay Inquiry Desk »

• Phone No. for User Inquiries: 0120-990-634 Hours : 24 hours/ 365 days including Saturdays, Sundays and public holidays.

• Phone No for Merchant Inquiries: 0120-990-640 Hours : 24 hours/ 365 days including Saturdays, Sundays and public holidays.

* Contact [here](#) for stolen/ lost cell phones.

* For inquiries other than by phone, please refer to the FAQ in our website and contact by inquiry form.

* The inquiry desk for merchants is for registered merchants. Please have your merchant ID ready upon contact.

< Fraud Compensation >

		Information used for fraudulent use	Before August 27	After August 28
Users	PayPay Account holders	Credit Card Info	○	○
		Bank Account Info etc.	△	
		Account		
	Non-PayPay Account holders	Credit Card Info	○	
		Bank Account Info etc.	△	
		Account	△	
Merchants	Credit Card Info	○	○	
	Bank Account Info etc.	△		
	Account			

(Mark explanation)

○ . . . PayPay compensation is stipulated in the Terms of Use or Terms and Conditions for Merchants.

△ . . . Compensation on an individual base and not stipulated in Terms, etc.

× . . . Compensation not applicable

< Inquiry Desk >

Users	Phone	Business hours	24 hours and 365 days
		Call charge	Free of charge
	Inquiry form	Business hours	24 hours and 365 days
		Usage fee	Free of charge
Merchants	Phone	Business hours	24 hours and 365 days
		Call charge	Free of charge
	Inquiry form	Business hours	24 hours and 365 days
		Usage fee	Free of charge

For further information on our approaches for secured “PayPay” service, please see [here](#).

■ PayPay App can be installed from ([App Store](#), [Google Play™](#))

* iOS 11.0 or later and Android 5.0 or later

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