

## Merchant (Seller) Protection Programme - Australia

### General

Klarna will in accordance with this Protection Programme, also referred to as Shipping Policy, compensate you, the Merchant, for transactions disputed by the Customer claimed as not received (in full or partially), or as unauthorised (i.e. the Customer claiming he/she did not make the relevant purchase). For transactions fulfilling the programme requirements, Klarna will compensate the Merchant in the amount of the disputed transaction excluding GST.

Klarna reserves the right to reverse each respective transaction not fulfilling the Programme requirements.

Klarna reserves the right to change the requirements and will, if deemed necessary, inform you of such changes with one month's prior notice.

This Programme applies to the delivery or collection of goods and services to Customers within Australia.

### Protection Programme Requirements

1. The transaction shall be captured the same day as the goods are shipped, handed out in store, or services rendered, unless otherwise agreed in the Merchant Agreement.
2. The Merchant shall comply with the following proof of delivery requirements:
  - 2.1. Shipped goods shall have a Tracking ID.<sup>1</sup>
  - 2.2. Shipping shall be possible to track online.
  - 2.3. A proof of delivery shall be available to be produced, including:
    - 2.3.1. Recipient name
    - 2.3.2. Delivery address (Including street, house number, zip and city)
    - 2.3.3. Date and time of delivery
    - 2.3.4. Recipient Signature when the Merchant or the Customer opts in for signature on delivery
  - 2.4. Exceptions for pick-up points:
    - 2.4.1. Signature is not required where goods are delivered to a registered locked box at the approved address, or to an unmanned pick-up point requiring customer registration.
    - 2.4.2. The phone number or email required for unmanned pick-up should be the same as the phone number or email approved by Klarna respectively.
  - 2.5. In store collection:
    - 2.5.1. The Merchant must be able to produce evidence to Klarna that the identity of the person collecting the order has been verified and matches with the details of the Customer who placed the order.
  - 2.6. Digital goods e.g. downloads, online dating services and goods handed over in person are not covered by Klarna's Merchant Protection Programme.

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<sup>1</sup> Tracking ID can be submitted to Klarna in the capture call.

3. The Merchant shall comply with the following shipping requirements:
  - 3.1. Goods must be delivered to the Customer and shipping address last approved by Klarna<sup>2</sup>.
    - 3.1.1. For deliveries to *pick-up points* the merchant shall submit the address of the pick-up point.
  - 3.2. Goods must only be handed out to the Customer approved by Klarna at the time of the transaction or to an authorised person as defined below.
  - 3.3. Authorised person definitions:
    - 3.3.1. Someone authorised by the Consumer to pick up the goods.
    - 3.3.2. Home deliveries: a person living in the same household. Proof of delivery shall, in addition to the above, state the name of the person receiving the goods.
    - 3.3.3. Commercial address deliveries: Klarna only offers protection when the proof of delivery is signed by the Customer themselves.
    - 3.3.4. The phone number or email required for unmanned pick-up should be the same as the phone number or email approved by Klarna respectively.
  - 3.4. At the time of collection, identification documents of the Customer and, if applicable, authorised person picking up the goods shall be verified.
4. The Merchant shall store the information related to the respective delivery/hand-out for at least six (6) months and, upon request, provide such information to Klarna.
5. The Merchant must reply to Klarna's requests:
  - 5.1. The Merchant shall answer Klarna's request to stop an order within one (1) business day and for a request for information within three (3) business days<sup>3</sup>.
  - 5.2. The Merchant shall provide Klarna with up to date contact details (email address) for such requests.
6. The Merchant must take action upon Klarna's requests:
  - 6.1. The Merchant shall not dispatch/hand-out goods or render services after having been informed by Klarna that a transaction shall be stopped and has been deemed as high risk<sup>4</sup>.
  - 6.2. The Merchant shall, upon Klarna's request, attempt to stop a delivery or collection and provide Klarna with tracking ID and shipping company<sup>5</sup>, even when the goods or services are already delivered.
  - 6.3. In case of an unauthorised transaction where goods can be recovered, the Merchant shall assist Klarna with returning the goods to store.
  - 6.4. Where the transaction is successfully recalled and goods are recovered, the Merchant may claim potential damage costs from Klarna (shipping costs). Such claim shall be sent to Klarna within 30 days from recall. The Merchant shall be able to provide specification and proof of cost upon request.

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<sup>2</sup> Klarna does not cover liability for transactions where the goods have been redirected unless the new address is approved by Klarna.

<sup>3</sup> Business day defined as day Merchant operates, e.g. dispatch orders and activate/capture orders.

<sup>4</sup> This also applies to orders in pending status, <https://developers.klarna.com/en/gb/kco-v3/pending-orders/>.

<sup>5</sup> The merchant may authorize Klarna to directly request information or to ask the shipping company to stop a certain delivery.