

Whereas:

Our Company’s mission statement affirms “We believe that full participation in the global economy is a right, not a privilege. We have an obligation to empower people to exercise this right and improve financial health.”¹ Elsewhere it reinforces the notion that “affordable and convenient financial services should be a right for all rather than a privilege for the few.”

Our Company describes “Who We Are” by stating “Our mission is to democratize financial services to ensure that everyone, regardless of background or economic standing, has access to affordable, convenient, and secure products and services to take control of their financial lives.”

Our Company states “We are available in more than 200 countries/regions supporting 25 currencies. Send and receive payments easily over borders and language barriers. We’re here for you, wherever you are.”² This includes service to over 425 million customers, including operations in high-conflict countries such as Yemen and Somalia and heavily-sanctioned countries such as Russia.

In this context, we are troubled by years of reliable reports³ that individuals with Palestinian bank accounts cannot use PayPal to send or receive money while individuals living in a similar location but with accounts at other banks have full access to Paypal services.

The US Treasury states that transactions with private Palestinian companies and individuals are authorized, stating “prohibitions are not territorial in nature.”⁴

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https://s201.q4cdn.com/346340278/files/doc_downloads/2022/Code-of-Business-Conduct-Ethics-2022_External.pdf

² https://www.paypal.com/webapps/mpp/country-worldwide?roistat_visit=285623

3

<https://techcrunch.com/2016/09/09/paypal-brushes-off-request-from-palestinian-tech-firms-to-access-the-platform/>

<https://www.reuters.com/world/middle-east/palestinians-urge-paypal-offer-services-west-bank-gaza-2021-10-21/>

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<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/counter-terrorism-sanctions/palestinian-authority>

Visa, Mastercard, and Western Union services have been available for years to these customers⁵ and Palestinian banks are part of SWIFT,⁶ the global system for secure cross-border payments. In 2021, PayPal's largest competitor, Apple Pay, started operating in Palestine.

Applying a restriction indiscriminately to all residents with Palestinian bank accounts limits our company's ability to expand its business to more than two million potential customers,⁷ and impairs the development of business opportunities for the local 150,000 small and medium enterprises.⁸ This limits opportunities for Palestinians to access livelihood and work opportunities.

It also hinders economic development in conflict with the company's own Code of Business Conduct & Ethics, which states that the company respects "the rights enshrined in the Universal Declaration of Human Rights and work[s] to align [its] efforts with the U.N. Guiding Principles on Business and Human Rights and other international standards."⁹

RESOLVED:

Shareholders request that the Board establish a policy that ensures that people in conflict zones, such as in Palestine, do not suffer discriminatory exclusion from the company's financial services, or alternatively, if the company chooses not to establish this policy, provide an evaluation of the economic impact the policy of exclusion has on the affected populations as well as the company's finances, operations and reputation.

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<https://www.reuters.com/world/middle-east/palestinians-urge-paypal-offer-services-west-bank-gaza-2021-10-21/>

⁶ <https://www.bankofpalestine.com/en/personal/transfers/swift>

⁷ <https://thisweekinpalestine.com/the-banking-sector-in-palestinen>

⁸ <https://www.mdpi.com/2227-7099/10/10/247>

⁹ PayPal, Code of Business Conduct & Ethics (2022) p.47.