

Managed Billing Platform Guide

version 2.0

Table of Contents

1	Preface.....	3
2	Product Overview.....	3
3	Supported Plan Types.....	4
3.1	Fee Attributes.....	4
3.1.1	Recurring Fee.....	4
3.1.2	Non-Recurring Fee.....	5
	Non-Recurring Set up Fee.....	5
3.1.3	5
3.1.4	Usage Fees.....	5
3.1.5	Billable Plan Attributes.....	7
3.1.6	Subscription Plan Display - Example screen shot.....	8
3.2	Free Trial.....	8
3.2.1	Free Trial Period.....	8
3.2.2	Cancelling During Free Trial Period.....	8
3.2.3	Free Trial Behavior.....	8
3.2.4	Remaining Free Trial Notification.....	9
4	Defining Plans.....	9
4.1	Additional Features.....	9
4.1.1	Plan Lifecycle.....	9
4.1.2	Production Verification.....	10
4.1.3	Show/Hide plans.....	10
4.2	Things to Consider.....	11
4.2.1	Different price points.....	11
4.2.2	Different service levels.....	11
5	Supported Payment Methods.....	11
6	Application Support.....	13
6.1	General Application Support.....	13
6.2	Technical Support.....	13
6.3	Billing Support.....	13
6.3.1	Billing Statement APIs.....	13
6.3.2	Credit API.....	14
6.3.3	Developer Issued Refunds.....	14
6.3.4	Billing Cycle Behavior.....	14
7	Billing Cycle Behavior.....	14
7.1	Example Screenshots.....	17
7.1.1	Seller Account – Select Application Account.....	17
7.1.2	Account Status – All Activity.....	18
7.1.3	Billing Statement.....	19
8	Handling Past Due Accounts.....	20
9	Service Fees.....	21
10	Appendix – Billing Plan Definition Information.....	22
10.1	Company/Billing Statement Information.....	22
10.2	PayPal Pre-Approval Agreement Information.....	22
10.3	Plan Information.....	23
11	Subscription Flow – Example Screen Shots.....	24
12	Planned Capabilities.....	25
12.1	Plan Start and End Dates.....	25
12.1.1	Start Date.....	25
12.1.2	End Date.....	25

1 Preface

eBay has taken the work out of billing management by providing a Managed Billing Platform (MBP) to do that for you. Developers who charge for their Selling Manager application will define one or more billing plans which can either be a one-time fee, a recurring subscription, or usage-based. The MBP will facilitate the billing of your subscribers or purchasers as well as manage the transaction of the payment for your application into your PayPal account.

For more information about Selling Manager Applications, please see the [Selling Manager Applications product page](#).

The eBay Managed Billing Platform (MBP) guide is intended to provide an overview of the system's behavior, familiarize you with the system's capabilities, and answer frequently-asked questions.

2 Product Overview

After you upload your application's Deployment Descriptor, you will define one or more subscription plans related to your application. Initially, you will be asked complete a Billing Plan Definition worksheet and submit it via a support request ticket through the developer's portal. In upcoming months, the developer's portal will be updated to allow you to define your subscription plans on the Embedded Applications tab.

In addition to defining your plans, if you will be charging for your application, you will be asked to provide your eBay account ID, your PayPal Verified account email address, company information which will be used on the eBay user's billing fee statement for your application, and PayPal Pre-Approval Agreement details which will be presented to the eBay member when they are subscribing to or purchasing your application and have chosen PayPal as their payment method.

Once your application has been approved, and billing plans have been configured in the MBP, you may allow eBay members to subscribe to your application. When an eBay user begins the subscription process, they will be presented with a list of billing plans currently available for your application, be asked to select one of the plans and then complete the process by agreeing to eBay's Terms of Use, the Developer's Terms and Privacy Policy, and providing their payment information. Once subscribed, the user will be able to use the application directly from within the Application tab from within my eBay.

Each month the MBP will generate a billing fee statement for each eBay user subscribed to your application based on the user's eBay bill cycle (1st or the 15th of each month) and the total will be calculated based on the plan and user activity related charges (recurring charges, one-time charge, usage, credits, refunds). Approximately fifteen (15) days after the user's bill cycle, the MBP will attempt to collect the total amount due and will facilitate the automatic payment directly between the eBay user and you (the Developer) by depositing the monies collected into your PayPal Verified account. eBay does not under any circumstance receive the money owed to you by the eBay users who subscribe to your application. The MBP simply facilitates payments directly between an eBay user and your PayPal account, so you receive payment of approved transactions immediately. If a payment failure occurs, the eBay user will be automatically notified via email (and My Messages) and asked to correct their payment information.

Starting in Q1 2010 [Service Fees](#) related to your Embedded Application will be calculated each month and automatically debited from your PayPal account. You may view the details of the charges from within the My Seller Account Summary section in My eBay of the eBay account you provided when you defined your plans.

3 Supported Plan Types

The system supports two types of plans:

1. **Billable:**
Billable plans are where there are one or more fees an end user must pay to use the application. Payment information is always collected from end users who subscribe to billable plans. These types of plans are made up of one or more attributes which define how the end user will be charged. Please see the Fee Attributes section below for more information.
2. **Non-Billable (Free):**
Free plans are those where there is no fee for an end user to use the application. In addition, payment information is never collected from end users who subscribe to free plans. These types of plans are defined generally the same way as billable plans, however do not have to be configured in the MBP, thus they can be setup, approved and activated very quickly. A monthly billing fee statement is never created for free plans.

3.1 Fee-Related Charge Type Attributes

The following section describes the various fee-related charge type attributes a plan may contain.

3.1.1 Recurring Fee

A recurring fee is one that is charged on a regular interval. The MBP currently supports the following recurring fee charge terms:

1. Monthly – Fee is charged once per month on the eBay user's bill cycle.
2. Yearly – Fee is charged once per year on the eBay user's bill cycle.

The MBP is configured to charge the subscriber in advance for the recurring subscription fees. Recurring charges are always prorated at the beginning of the subscription term. A simple example of proration at the beginning is a recurring plan that costs \$30 per month. If a user signed up for this plan on the 15th of a month that had 30 days, the prorated amount for that month would be \$15 (\$1 per day prorated). Since the MBP bills in advance, the user's first billing statement would include the prorated amount of \$15 plus the next month's charge of \$30 for a total of \$45.

Depending on when the user subscribed to the plan, and the type of plan they subscribed to, the subscriber's first billing statement will usually be higher than their subsequent billing statements. Please refer to the [Billing Cycle Behavior](#) section for more details on how the subscriber's billing statements are calculated.

Recurring Fee Types

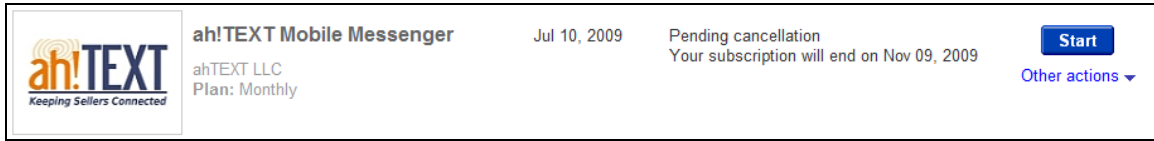
A plan may contain only one recurring fee charge type attribute. It may be of type "Recurring" or of type "Recurring Prorate at End". See the sections below for more information about each recurring fee type.

Recurring

This type of recurring fee is configured as being non-prorated at end. The charge is initiated based on the term specified (monthly or yearly), however, when user unsubscribes from a plan that has this charge type attribute on it, the subscription end date is set to a **future date** and aligned with user's subscription sign-up anniversary date.

- a. User may unsubscribe at anytime, however, the user's subscription will stay in Active state and use of the application will continue until the end of the current term.
- b. The user will see a "Pending Cancellation" message on the Applications Tab along with the date the subscription will be ended.

- c. **No cancellation credit will be issued.**
- d. If the user unsubscribes during the free trial period, their subscription will be cancelled immediately.
- e. Example Screen Shot - Pending Cancellation:



A Recurring fee displays in the sign-up flow as “Recurring Fee (monthly)” or “Recurring Fee (yearly)” in the pricing details section of the subscription plan selection.

Note: A user will also see the words "Fee is not prorated" directly beneath the charge amount.

Recurring Prorate at End

Charge is initiated based on the term specified (monthly or yearly). When user unsubscribes from a plan that has this charge type attribute on it, the subscription end date is set to the **current date**, and the subscription is cancelled immediately.

- a. User may unsubscribe at anytime and use of the application will be ended immediately
- b. A cancellation credit shall be applied. User must call to request a credit balance refund.

A Recurring Prorate at End fee displays in the sign-up flow as “Recurring Fee (monthly)” or “Recurring Fee (yearly)” in the pricing details section of the subscription plan selection.

3.1.2 Non-Recurring Fee

A one-time only fee that is billed on the user’s first bill cycle. A Non-recurring fee can be used if you want to charge an end user only once during the subscription term.

This displays in the sign-up flow as “One Time Fee” in the pricing details section of the subscription plan selection.

3.1.3 Non-Recurring Set up Fee

Same as a Non-Recurring Fee, but reserved to indicate the fee is related to a setup fee.

This displays in the sign-up flow as “Setup Fee” in the pricing details section of the subscription plan selection.

3.1.4 Usage Fee

A fee based on usage of the application. Usage based plans can be used when the user will be charged based on their activity within the application. Examples of usage plans include:

- ✓ Label and shipping applications (charged per label printed)
- ✓ CRM applications that charge per seat of access
- ✓ Tiered pricing based applications (\$5 for 1-100 units, \$6 for 101-200 units, etc.)

When configuring Usage Fee-based plans, a developer may provide additional details about the pricing in an “additional information” field that supports some HTML tags such as , <i>, <u>, , .

This displays in the sign-up flow as “Usage Fee” in the pricing details section of the subscription plan selection with the “additional information” directly below.

Usage records are sent to the MBP via the [addUsage API](#) and are charged based on the dollar amount specified in the request provided by the developer.

Usage charge type transactions may be charged in two ways:

1. Usage billed at bill cycle - usage records will be stored on the users account and usage charges will be included in the total of the subscriber's next application billing statement .
2. Usage charged immediately - usage records submitted with the immediatePayment flag set to true will be charged at the time of the addUsage request and if successful, will be recorded on the user's account activity in two separate line items. One line item will show the usage charge and a second line item will show the corresponding payment.

3.1.5 Non-Plan Usage Fee

This charge type and category is reserved for applications that include "pass through" fees such as postage, shipping fees, and shipping insurance. A developer may only use non-plan usage when the pass through fee charged to the subscriber is equal to or less than other commercially published pricing for the same type of product or service.

For example, published pricing to ship a 1lb package via Priority Mail is \$4.95. A developer may use non-plan usage to charge a subscriber for a similar postage purchase within their application only if the subscriber is charged \$4.95 or less.

Please contact DTS or your eBay representative if you have further questions or to determine if your usage-based fee is eligible to be charged as non-plan usage.

When configuring Non-Plan Usage fee-based plans, a developer may provide additional details about the pricing in an "additional information" field that supports some HTML tags such as ``, `<i>`, `<u>`, ``, ``.

This displays in the sign-up flow as "Application Fee" in the pricing details section of the subscription plan selection with the "additional information" directly below.

Non-Plan Usage records are sent to the MBP via the [addUsage API](#) and are charged based on the dollar amount specified in the request provided by the developer.

Non-Plan Usage charge type transactions may only be charged in one way:

- ✓ Non-Plan Usage charged immediately - usage records of this type can only submitted with the immediatePayment flag set to true, will be charged at the time of the addUsage request and if successful, will be recorded on the user's account activity in two separate line items. One line item will show the usage charge and a second line item will show the corresponding payment.

3.1.6 Usage Billed

Usage billed (true/false) is an attribute that may be set on each charge type that designates whether or not a developer will use the addUsage API to charge the user for a particular charge.

When Usage billed is set to "true", it allows the developer to manage when to collect the charge from the end user. This would be used in place of the MBP automatically managing the billing process.

By default, Usage and Non-Plan Usage charge types are set up as being Usage billed. However, if a developer would like to control when to charge the subscriber a setup fee, one-time, or their recurring fees, that may be controlled by configuring those charge types as Usage billed being set to true.

3.1.7 Rules when Submitting Usage Billed transactions via addUsage API

The system enforces a set of validation rules when usage billed transactions are sent in via the addUsage API. They are as follows:

- ✓ The plan for which usage is being submitted for must have one or more charge type attributes that are set to usage billed.
- ✓ The charge type being sent in the API call must be one that has been configured on the plan and must be set to usage billed.
- ✓ The user must be subscribed to the exact planID provided in the API call.
- ✓ The user must not be in the free trial period.
- ✓ The transaction time specified in the API call must fall within the user's subscription dates.

Please see the [addUsage API](#) documentation for more information.

3.1.8 Charge Types

When usage records are sent in via the [addUsage API](#), a Charge Type will need to be assigned for each record. This charge type indicator will be used to segment usage activity into groups that define whether or not a Service Fee is charged and if eBay covers the payment processing fee. The table below defines the initial Charge Types the MBP will support:

Charge Type	Billed at Bill Cycle	Charged Immediately	Service Fee Charged	eBay Pays Processing Fee
Recurring or Recurring Prorate at End NRC (One Time Charge) NRCSetup (Setup Fee) Usage	Y	Y	20%	Y
Non-Plan Usage	N	Y	TBD	N

IMPORTANT NOTE - As shown in the table below, a developer is not currently charged an SM Apps Service Fee on non-plan usage transactions. However, a developer will be charged their normal PayPal fees. Please see your PayPal Fee Schedule to determine what PayPal fees you may incur for processing payments.

3.1.9 Billable Plan Attributes

A billable plan must contain at least one fee attribute, may contain multiple fee attributes, and may only contain up to one of each type of the following attributes:

- ✓ Free Trial
- ✓ Recurring Fee or Recurring Prorate at End (one or the other)
- ✓ One Time Fee
- ✓ Setup Fee
- ✓ Usage Fee
- ✓ Non-Plan Usage Fee

3.1.10 Subscription Plan Display - Example screen shot

Here's an example of an application that has two plans.

The first plan is one with a Recurring Fee, a Setup Fee, and Usage Fee.

The second plan is one with a 15 day Free Trial and Recurring Fee.

Subscription plans

My Monthly Recurring Plan (with Usage)
Monthly Recurring Plan without a free trial

Pricing details

Usage fee

- \$2 overage charge for every GB (or part of) used over 5GB and up to 10GB in the month
- \$3 overage charge for every GB (or part of) used over 10GB in the month

Set up fee (one time)	\$19.99
-----------------------	---------

Recurring fee (monthly)	\$1.00
-------------------------	--------

My Monthly Recurring Plan (Free Trial 15)
Monthly Recurring Plan with a 15 day free trial

Pricing details

Free Trial *	15 Days
Recurring fee (monthly)	\$3.00

3.2 Free Trial

3.2.1 Free Trial Period

Developers will be asked to offer a minimum of a 7 day free trial on at least one of your plans so that users have an opportunity to try the application without being charged. The plan with the free trial must provide the user with the application's primary feature-set. During the free trial, the user is not charged for subscription fees associated to the plan. If the user does not unsubscribe before the trial period ends, they will be automatically charged the subscription fees on the first billing cycle after the expiration of the free trial period or immediately after the free trial period if the Developer is submitting the subscription fees via the addUsage API. If the user unsubscribes before the free trial period, subscription fees will not be charged.

3.2.2 Cancelling During Free Trial Period

If a user unsubscribes from a plan during a free trial period, their subscription will be cancelled immediately and they will not be charged the subscription fees.

3.2.3 Free Trial Behavior

To minimize the possibility of abuse, a user may only receive one free trial period per application subscribed. The user will see the following message on the "Choose your subscription plan" page:

Pricing details	
Recurring fee (monthly)	\$3.95
Free Trial *	30 Days

* Free trial only available for the first time you subscribe to the application.

If your application has four billing plans, each with a free trial, and a user subscribes to plan 1 and receives their free trial, then unsubscribes, they will not receive the free trial if they attempt to subscribe to plan 2.

3.2.4 Remaining Free Trial Notification

A user is notified of their remaining free trial period on the Applications tab where they go to launch the application. If there is a free trial period remaining, the number of days remaining will appear under the plan name as shown in the example screen shot below:



4 Defining Plans

4.1 Additional Features

4.1.1 Plan Lifecycle

Each plan you set up will go through a specific lifecycle. The lifecycle is used to track the setup and configuration process from the time the Developer creates the plans to the time they are fully configured and active in the MBP. Once you initially create your billing plans, they will be in the "Stored" state. While in this state, you may test how the plans will be displayed during the subscription flow and you may subscribe to your plans without going through the payment selection pages and without being charged. In addition, you may update any of the plan information and attributes as many times as you wish. Once you are satisfied with your plan definition, you may put in a request to have your plans reviewed and configured in the MBP. Please refer to the [Offering Subscription Plans](#) section of the Users Guide for details on submitting your plans.

If a member of the Developer's Program discovers an error in the information you have provided, you will be notified and be asked to correct the information before the plans are fully configured in the MBP.

While your application and plans are in a non-active state, they will only be viewable by eBay userIDs you have listed in the Permissions tag of the Deployment Descriptor and eBay Administrators.

After your plans have been fully configured in the MBP, eBay will set the lifecycle state to "Active", will mark them as hidden, and notify you that your billing plans are ready for your final verification. eBay recommends that Developers confirm the configuration by going through the subscription flow for each plan before making them visible to the general public. Please refer to the Production Verification section below for more details.

4.1.2 Production Verification

Once your new billing plan(s) are configured in the production systems, you will be notified and asked to perform production verification. During this stage, your plans are set to hidden so admins (application developer and eBay) can view, subscribe, and test them. Regular end users cannot see hidden plans.

eBay will ask you to confirm that you have successfully completed and verified your billing plans. Production verification should include the following:

1. subscribe/unsubscribe to your free plan to test subscription flow and integration only
2. subscribe/unsubscribe to your new billable plan(s) to make sure they look correct
 - a. Review the application name, plan name, description and rate
 - b. Ensure the plan includes the expected components (subscription, one time charge, setup fee or usage)
 - c. Do **not** use the same PayPal account that has been set up to receive payments for your application. The PayPal payment will always fail in this case.
 - d. Confirm you get the right external plan ids in your addSubscriber request and that your subscriptions go into Active/Subscribed state.

3. Process a test "one-time payment" transaction. This important step helps confirm that the configuration in the Managed Billing Platform is correct to receive payments from your subscribers.

Note: Be sure you are not in your free trial period before you test a one time payment. To force your subscription to come out of the free trial period, unsubscribe and resubscribe to any plan of your application.

Follow these steps to test the one-time payment process after you have subscribed to your application:

1. Go to My eBay. You will be asked to sign in. Login using your test account.
2. Click the "Account" tab, and then click the "Seller Account" link on the left side of the page. (My eBay -> Account -> Seller Account)
3. Select your application account from the "Account ID:" drop down list
4. Scroll down the page and click the "make a one-time payment" link which is located in the Payment method section.
5. Follow the instructions on each page to complete the payment.
Note: We'd recommend making a one-time payment of \$1.00 or less for this part of the testing

If you do not see your application listed in the drop down or cannot see the option to make a one-time payment, please contact your eBay representative or DTS.

If your plan includes usage, then process a usage test. Test both immediate payment and billing payment:

- a. Ensure the usage API returns a successful message
- b. Ensure the usage transaction is displayed immediately in the Account Activity Page. (My eBay > My Account > Seller Account > Account Activity)
- c. If your usage transaction was marked for immediate payment, ensure the PayPal payment displays immediately in the Account Activity Page.

- d. Ensure that the PayPal payment is passed from your sender PayPal account to your receiver PayPal account and the PayPal fees are accurate.
 - i. Ensure that the PayPal fees for Non Plan usage are charged to your PayPal receiver account
 - ii. Ensure that PayPal fees for Subscription or Plan usage are NOT charged to your PayPal receiver account. They should be charged to eBay.

After you complete your testing and you are happy with the results, set your plans to visible

Note: Your application must be Approved before end users can subscribe to it.

4.1.3 Show/Hide plans

Once your billing plans have been configured and enabled, the system will allow you to show or hide any plan at your discretion. This feature simply sets a flag so that a plan does not show up in the subscription flow for end-users. You may want to use this feature if you have setup multiple plans with different price points and you would like to test which plans have the best conversion.

Once your plans have been fully configured and set to the "Active" lifecycle state, eBay will initially set your plans to hidden for testing. You must unhide (or show) your plans for them to appear in the subscription flow. As noted above, when your plans are hidden you may perform your production verification steps without showing your plans to the general public.

4.2 Things to Consider

4.2.1 Different price points

Because of the lead time needed to fully review, configure and verify new billing plans, you may want to consider initially submitting multiple plans with different price points for the same application. Once configured and active, you can control whether or not they display to end users using the show/hide feature. By setting up multiple plans this way, you can test the sign-up rate for your different price points to determine which plan is the most effective for your particular business.

4.2.2 Different service levels

You may also want to setup multiple billing plans if your application offers different service levels that each expose different capabilities or limitations. For example, you may want to create a "basic" plan level at one price that enables certain features and an "advanced" plan level at a higher price that enables all the same features of the "basic" plan, plus a few additional features. For each billing plan you set up, you define an *externalPlanID* that is sent to your system via the *addSubscriber* call of the OEPI interface when a user subscribes to the plan. Once you receive the *addSubscriber* call, you can review the payload for the *externalPlanID* value and provision the user to the correct service level in your system.

5 Supported Payment Methods

When users subscribe to one of your billable plans they will be prompted to choose a default payment method to pay for the subscription fees. The initial release of the MBP supports the following payment method:

PayPal

When choosing this payment method, PayPal requires the user to establish a pre-approved payment agreement in order to allow the MBP to automatically deduct subscription fees from the users PayPal account during the term of the subscription. PayPal has set the following maximum limits on pre-approved payment agreements

- o Term: Maximum of 12 months allowed. The agreement expires at the end of the term and the end user will need to establish a new agreement for an additional term. This action will be managed from within eBay and the user will be instructed on how to establish a new pre-approved payment agreement.
- o Total Amount of all Payments: Maximum of \$2,000 allowed. The agreement will become invalid if this maximum amount is reached before the agreement Term expiration. Like a pre-paid credit card or stored value card, each time an automatic payment is processed against a pre-approved payment agreement, the available balance is reduced by the amount of the automatic payment. Once the balance is depleted, the agreement is no longer valid. Once this occurs, the end user will need to establish a new agreement for an additional term. This action will be managed from within eBay and the user will be instructed on how to establish a new pre-approved payment agreement.
- o PayPal's Confirmed Pre-Approved Payment Page: See [Subscription Flow Example](#) for sample screen shots. Currently, this Paypal-hosted page will display the following information to the end user when they are subscribing to your application:

Field Display	Purpose	Value
Name:	Displays the name of the PayPal API caller	Initially set to a generic value of "Developer Selling Manager Application". This may change in future PayPal releases to display the Developer's name
Start:	Displays the start date of the pre-approval agreement	By default, this will show the date of subscription. Typically the current date
End:	Displays the end date of the pre-approval agreement	This value will be set based on the Term length of the pre-approval agreement set by the developer. Typically the term will be set to 12 months, thus the end date will be set to a date 12 months in the future
Memo:	Displays information pertaining to the Developer and the application	This value will be set to display the Developer Name and application name, separated with a space

Additional payment methods will be supported in the future.

6 Application Support

6.1 General Application Support

Application support will be provided by the Developer. Should a user contact eBay Customer Service with a question related to a Developer's embedded application, eBay will direct the user to contact the Developer directly and will provide the user with the appropriate contact information. eBay Customer Service will place a note on the user's account recording the support incident.

6.2 Technical Support

Technical support will be provided by the Developer. Should a user contact eBay Customer Service with a question related to a Developer's embedded application, eBay will direct the user to contact the Developer directly and will provide the user with the appropriate contact information. eBay Customer Service will place a note on the user's account recording the support incident.

6.3 Subscription & Billing Support

Subscription and Billing support will be provided by the Developer. Should a user contact eBay Customer Service with a question related to their subscription or billing statement fee-related charges of a Developer's embedded application, eBay will direct the user to contact the Developer directly and will provide the user with the appropriate contact information. eBay Customer Service will place a note on the user's account recording the support incident.

If a user contacts eBay Customer Service a second time related to the same inquiry and suggests that the Developer did not appropriately address their issue, eBay shall have the right, at its sole discretion, to issue a courtesy credit, on behalf of the Developer. In addition, when this occurs, eBay Customer Service will notify the eBay Developer's Program. Once a billing inquiry is escalated, the Developer's application may be temporarily suspended until the user's issue is resolved.

Developers may use the following Support tools to assist their subscribers with their subscription and billing related inquiries:

6.3.1 Cancel Immediately

As noted above, if a user is subscribed to a plan that has a [Recurring fee](#) charge type attribute, and they unsubscribe, the system will assign their subscription end date in the future (a pending cancellation). Some users may contact the developer to request that their account be cancelled immediately. Sometime in Q4 2009, a developer will be able to force an immediate cancellation of a subscription through a feature in the developer's portal. Until that time, please contact your eBay representative to request an immediate subscription cancellation.

Because the MBP bills in advance for the subscription fees, if a subscription is cancelled early, the MBP will likely calculate a credit balance on the user's next billing cycle. Please contact eBay if the user should not be issued a credit, or if they were issued a refund outside of the MBP.

6.3.2 Payment failures

Payment failures may result from the following:

- a) paypal account does not have sufficient funds
- b) paypal pre-approval agreement has been revoked, expired, or reached its maximum dollar threshold
- c) paypal email address is invalid
- d) a time out or system error occurred when attempting to collect the payment

When a payment failure occurs, the MBP will email the subscriber (See [Handling Past Due Accounts](#) below). Some users may contact the developer to seek assistance. The user may correct the payment failure by logging into their account and making a one-time payment. If their PayPal account has been removed from their account due to a "hard payment failure" such as items b) and c) in the list above, the user must first re-add a new valid PayPal account, then make a one-time payment.

6.3.3 Billing Statement APIs

Should the user have questions about specific charges on their billing statement, there are two APIs (`getBillingStatements` and `getBillingRecords`) that may be used to retrieve a subscriber's billing statement information. Refer to the Performing Billing Operations section of the Users Guide for more information about these calls.

6.3.4 Credit API

The Credit API may be used to issue a credit on a subscriber's account. Refer to the Performing Billing Operations section of the Users Guide for more information about this call.

6.3.5 Developer Issued Refunds

As an alternative to issuing a billing statement credit to a subscriber, developers may provide refunds directly to the end user via PayPal. If a refund is issued outside the MBP, please contact eBay to ensure the user's account properly reflects the refund and account balance.

6.3.6 Billing Cycle Behavior

Many billing questions relate to the charges that appear on a subscriber's first billing statement. Refer to the Billing Cycle Behavior section below for information on how the MBP calculates billing charges.

7 Billing Cycle Behavior

There are two bill cycles each month (0 & 15). Each eBay user is assigned to one or the other bill cycle.

The bill cycle is used to generate the billing statement and calculate what amount is due. Approximately 15 days after the bill cycle, the MBP collects the payment for that bill cycle.

BC 0 - Billing statement is generated around the 1st of the month; payment collection date is around the 15th of each month.

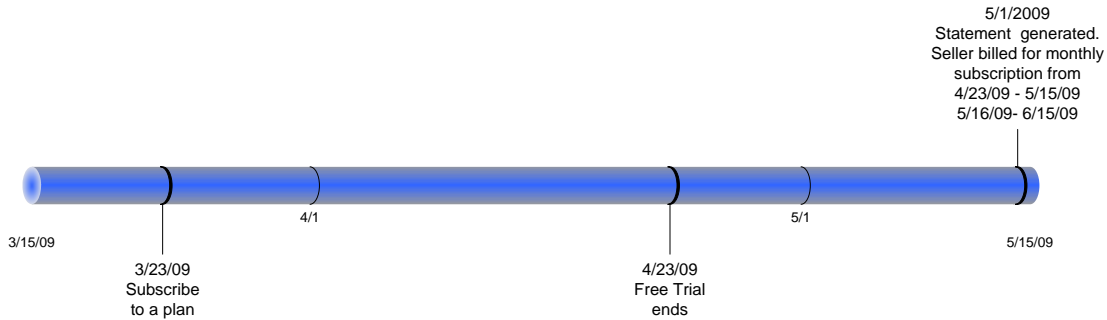
BC 15 - Billing statement is generated around the 15th of the month; payment collection date is around 28-30th of each month.

There is a lag between when our MBP generates the billing statement and when our payment process attempts to collect the money for that statement. Once we run the collections/payment process, the money is moved directly from the end user to the developer's PayPal account immediately.

There is also a delay between when a user comes out of a free trial and when the first billing statement will get created for that user. Example, if a user comes out of their free trial on the 3rd of the month, but they are in bill cycle 0, their first billing statement won't be calculated until the beginning of the following month. If they are in bill cycle 15, then their first billing statement will be about 12 days later around the 15th of the month.

Here are some examples of how the MBP will calculate the total due from an eBay user who is subscribed to monthly and yearly subscription plans.

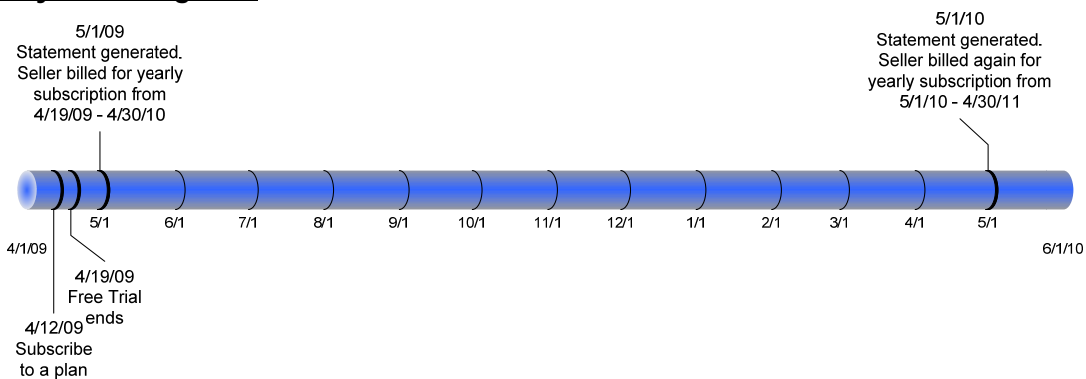
Monthly Recurring Plan



- Billing Cycle (15): 15th of the month.
- Seller subscribes to a monthly subscription billing plan on March 23, 2009 with 1 month of free trial.
- The free trial ends on April 23, 2009.
- Monthly subscription rate is \$19.95.
- The statement would NOT be generated on 4/15/2009. When the statement is generated on 5/15/09, the subscription is billed from 4/23/09 till 5/15/09 and then 5/16/09 – 6/15/09. The charges on the statement will appear as follows:

Invoice Period 3/16/09 - 4/15/09 Statement Date: 5/15/2009 (Period 4/16/09 - 5/15/09)		
Monthly and One-Time Fees		
Date	Fee Type	Amount (USD)
May 15	{Application Name} – {Plan Name}: Subscription Fee (April 23, 2009 – May 15, 2009)	14.97
May 15	{Application Name} – {Plan Name}: Subscription Fee (May 16, 2009 – June 15, 2009)	19.95

Yearly Recurring Plan



- Billing Cycle (0): End of the month.
- Seller subscribes to a yearly subscription billing plan on April 12, 2009 with 7 days of free trial.
- The free trial ends on April 19, 2009.
- Yearly subscription rate is \$197.95 starts on April 19, 2009.
- When the statement is generated on 5/1/09, the subscription is billed from 4/19/09 till 4/30/10. The charges on the statement will appear as follows:

Statement Date: 5/1/2009 (Period 4/1/09 - 4/30/09)

Subscription and One-Time Fees		
Date (PDT)	Fee Type	Amount (USD)
Apr 30	{Application Name} – {Plan Name}: Subscription Fee (April 19, 2009 – April 30, 2010)	\$187.71

Developer's Subscription Revenue Timing

After a developer's first non-free billing plan is made public and active, you will start receiving subscribers to the plan. Due to the inherent delay between the release of your billable plan, end of the trial period, and start of the next available billing cycle, your subscription revenue may not be received until a minimum of 2 weeks *after* the length of your free trial period is added to your release date. Also, in the very first billing cycle, you will only see revenue collected from half of your new subscribers, depending on their billing period. There are some exceptions to this, noted below.

Example calculating when you should receive your first subscription revenue:

- Plan release date: September 10th
- Free trial period: 7 days
- Add 7 days to the plan's release date: September 17th
- Observe the next billing statement date: October 1st
- Add two weeks to find the next billing collection date: October 15th

In this example, the earliest possible date you would see revenue from your plan is October 15th, approximately 4 ½ weeks after plan release. At this point, you should see payment from all balance-due subscribers who are in Billing Cycle 0 (BC 0) who subscribed before October 1st. Balance due from other subscribers in Billing Cycle 15 (BC 15) who subscribed before October 15th, will be collected on October 30th.

Exception

The exception to this example would be for subscribers who have previously subscribed to your application, and are no longer eligible for the free trial period. For subscribers in BC15 who subscribe between September 10th and September 15th, revenue would appear on their statement for September 15th and be collected for October 1st. Previously-subscribed users in BC0 would still be billed on October 1st and collected on October 15th.

Other Considerations

Depending on the subscriber's subscription date in relation to their billing cycle, it may be as much as 6 weeks before an initial payment is first recorded after their free trial ends. If your plan is billed monthly and you have a 30-day free trial period, this may result in **a delay of as much as 10 weeks** (4 weeks of free trial + maximum 6 week delay).

8 Account & Billing Fee Statements

8.1 Example Screenshots

8.1.1 Seller Account – Select Application Account

Example screenshot of Seller Account section in My eBay, where user selects a specific account from an Account ID drop down list. In the example below, a user has subscribed to the Terapeak application.

Activity
Messages
Account
Applications

My eBay Views

- [My Account](#)
- [Personal Information](#)
- [Addresses](#)
- [Notification Preferences](#)
- [Site Preferences](#)
- [Feedback](#)
- [PayPal Account](#)
- [Seller Account](#)
- [Donation Account](#)
- [Subscriptions](#)
- [Resolution Center](#)

Item counts delayed. [Refresh](#)

Seller account

Account ID: 163458392001-USD Terapeak App1 ▼

Account summary

Latest statement amount (Mar-27-09):	US \$5.00
Credits, payments, and refunds applied to latest statement:	- US \$0.00
• Credits	US \$0.00
• Payments	US \$0.00
• Refunds	US \$0.00

Amount due as of Apr-01-2009 **US \$5.00**

New account activity not applied to statement US \$0.00

Current balance **US \$5.00**

View: [All account activity](#)

Statements

Select statement ▼

Payment method

Automatic payment method - PayPal

PayPal

[Change](#)

Make a [one-time payment](#)

© 2009 eBay, Inc. All rights reserved.

Page 17 of 25

8.1.2 Account Status – All Activity

Example screenshot of when a user visits the Seller Account section of My eBay, selects a specific account from a drop down list provided, and views their account activity for that application. In the example below, the user is shown usage activity related to the Terapeak application.

All Categories ▼ [Advanced Search](#)

Categories ▼ Motors Stores **Deals**
[eBay Security & Resolution Center](#)

[Home](#) > [My eBay](#) > [My Account](#) > [Seller Account](#) > **Account Status**

Account activity

User ID: ashishgaunker Account ID: 163458392001-USD Terapeak App1 [Show details]	Latest statement amount (Apr-01-09): US \$5.00 Credits, payments and refunds applied to latest statement: US \$0.00 <ul style="list-style-type: none"> • Credits - US \$0.00 • Payments US \$0.00 • Refunds - US \$0.00
Amount due as of Apr-01-2009 US \$5.00	
New account activity not applied to statement US \$0.00	
Current balance US \$5.00	

All Account Activity [Print](#)

03/01/2009 to 04/01/2009

Description	Transaction ID	Date	Transaction type	Debit	Credit
Terapeek monthly: Usage fee 2 units @ \$1.25	260394818088	Mar-14-09 22:40:03 PDT	Usage fee	\$2.50	
Terapeek monthly: Usage fee 2 units @ \$1.25	260394818090	Mar-14-09 22:40:03 PDT	Usage fee	\$2.50	

[About eBay](#) | [Announcements](#) | [Security Center](#) | [Resolution Center](#) | [eBay Toolbar](#) | [Policies](#) | [Government Relations](#) | [Site Map](#) | [Help](#)

Copyright © 1995-2009 eBay Inc. All Rights Reserved. Designated trademarks and brands are the property of their respective owners. Use of this Web site constitutes acceptance of the eBay [User Agreement](#) and [Privacy Policy](#).

[eBay official time](#)

8.1.3 Billing Statement

Example screenshot of when a user visits the Seller Account section of My eBay, selects a specific account from a drop down list provided, and views one of the billing statements for that application. In the example below, the user is shown payments, credits, and subscription charges related to the Ah Text application.

Billing Details

Payments and refunds		
Date (PDT)	Payment	Amount (USD)
Feb 5	PayPal Payment -- Thank You	-\$ 4.00
Feb 15	PayPal Payment -- Thank You	-\$ 4.00
		Total payments: -\$ 8.00

Credits		
Miscellaneous credits		
Date (PDT)	Description	Amount (USD)
Feb 28	Ah Text: Subscription Fee Credit	\$ 3.50
Feb 28	Credit Transfer Balance	\$ 3.50
		Total : \$ 7.00
		Total credits : \$7.00

New Fees		
Subscription and one time fees		
Date (PDT)	Description	Amount (EUR)
Feb 28	Ah Text: Subscription Fee Savings of \$ 5.00 included (from Feb 15 - Feb 28)	\$ 0.00
Mar 31	Ah Text: Subscription Fee Included (from Mar 1 - Mar 31)	\$ 10.00
		Total : \$ 10.00
		Total new fees : \$10.00

		Total amount due: \$ 48.00
--	--	-----------------------------------

9 Handling Past Due Accounts

The MBP has the following features to manage payment failures and past due accounts:

1. If the MBP encounters a payment failure during the collection process, it will automatically send out an email notification that notifies the user and prompt them to make a payment. See Payment Failure Email Notification below.
2. The MBP will move a user's application subscription state to Suspended if the account balance is greater than the defined threshold and more than X days have elapsed since the last billing statement. See MBP System Configuration below for more information. When a subscription is in suspended state, the following applies:
 - a. The user will not be able to start the application.
 - b. The user will see a notification on the Applications tab stating their subscription is currently suspended and they will be prompted to make a payment.
 - c. If the user makes a payment and brings their account balance current, the system will automatically update the subscription state back to Active within 5 minutes.
 - d. Example screen shot when a user's subscription is suspended. The "make a payment" link takes the user through the make a one-time payment flow for the developer's application (also available from within the Seller Account section of My eBay).



3. The MBP will move a user's application subscription state to Cancelled if the account balance is greater than the defined threshold and more than Y days have elapsed since the last billing statement.

MBP System Configuration:

X = 18 days

Y = 22 days

Threshold = \$1

Payment Failure Email Notification

When a payment failure like this occurs, our MBP emails the end-user (and sends a message to My Messages) to let them know there was a problem with their payment and directs them to go online and make a one-time payment. The email message will state the following:

-- Payment Failure Email Begin --

Developer: {Developer Name}

Application: {Application Name}

Account ID: (User Account ID)

Outstanding Payment Due: \${Amount Due}

This is an automatically generated email. Please do not reply.

 eBay sent this message to {eBay User Name} ({eBay UserID}).

Your registered name is included to show this message originated from eBay.

Learn more: <http://pages.ebay.com/help/confidence/name-userid-emails.html>

We regret to inform you that your {Application Name} fees have not been paid. {More descriptive reason why the payment failure occurred..}

To keep your account current and avoid it becoming past due, please make an immediate payment on your amounts due. To make a payment:

1. Go to My eBay. You will be asked to sign in.
2. Click the "Account" tab, and then click the "Seller Account" link on the left side of the page.
3. Select {Application Name} from the drop-down menu.
4. Click the "one-time payment" link and follow the instructions for making a payment.

-- **Payment Failure Email End** --

10 Service Fees

You receive 80% of revenue generated from fee-based subscriptions or purchases of your application. There is a 20% Service Fee charged on all fee-based plans and are inclusive of your payment processing fees (PayPal, Credit Card, etc.). The Service Fee will be automatically debited from your PayPal Account on a monthly basis.

For any subscription-related charges where a Service Fee is applied, your PayPal fees are paid by eBay. For any non subscription-related charges where a Service Fee is not applied, PayPal fees are paid by the Developer. An example of a non subscription-related charge is authorizing payment for actual postage costs.

There are no Service Fees charged for free applications.

11 Appendix – Billing Plan Definition Information

11.1 Company/Billing Statement Information

A developer will need to provide the following company information for the billing statement notifications:

Developer's eBay Account	Your eBay account (login). This is the account where you will receive your Developer Merchant statement that will show all your subscriber charges and revenue share fees
PayPal email Address	Your PayPal email address. Payments/Refunds from your subscribers will appear in this PayPal Account
All the information below will show up on the billing statements of the people who subscribe to your app	
Company Logo URL	This logo will be displayed on billing statement your subscribers will see
Company Legal Name	Provide your Company's Legal Name. This value is shown in Subscription flow and on the billing statement for paid plans.
Company Legal Entity Country of Origin	Where the company has legal presence. Values will be ALL, USD, EU, ROW (rest of world)
Additional Company Info (for EU companies only)	Legal Form, Entity's Registration #, Business License #, VAT #, Amt of Legal Entity's capital Assets
Address 1, Address 2, City, State Zip	The official address associated to the company identified
Customer Service Phone	
Customer Service Email	Email address only
Billing Statement Announcement	(Optional) Any Marketing Message you would like to appear on all your statements for all subscribers.
Billing Statement Notice	(Optional) Any Service or Legal Related Message you would like to appear on all your statements for all subscribers.
Helpful Link 1 (Link Text)	Anchor Text 1 (i.e. "Please Visit Our Website")
Helpful Link 1 (URL)	HREF value 1 (http://www.developer.com)
Helpful Link 2 (Link Text)	Anchor Text 2 (i.e. "Please Visit Our Website")
Helpful Link 2 (URL)	HREF value 2 (http://www.developer.com)
Helpful Link 3 (Link Text)	Anchor Text 3 (i.e. "Please Visit Our Website")
Helpful Link 3 (URL)	HREF value 3 (http://www.developer.com)

11.2 PayPal Pre-Approval Agreement Information

A developer will need to provide the following information that will be displayed on the PayPal Pre-Approval Agreement page during the subscription flow:

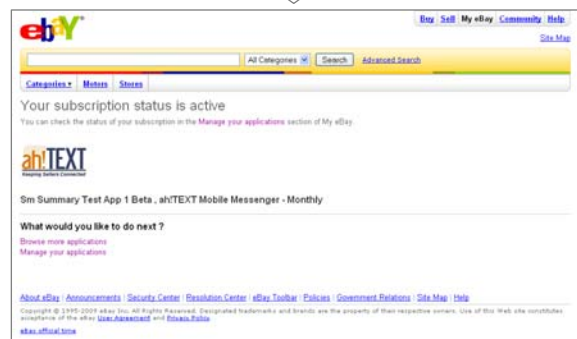
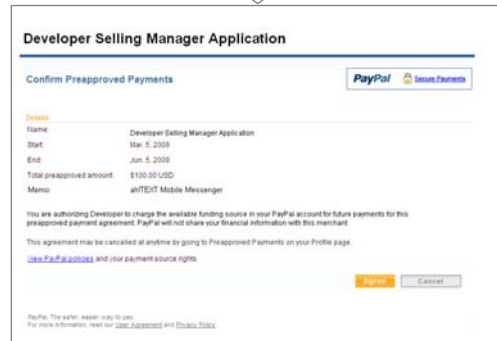
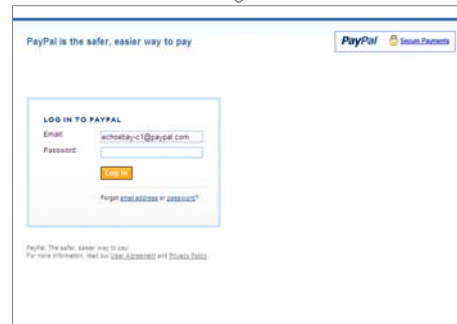
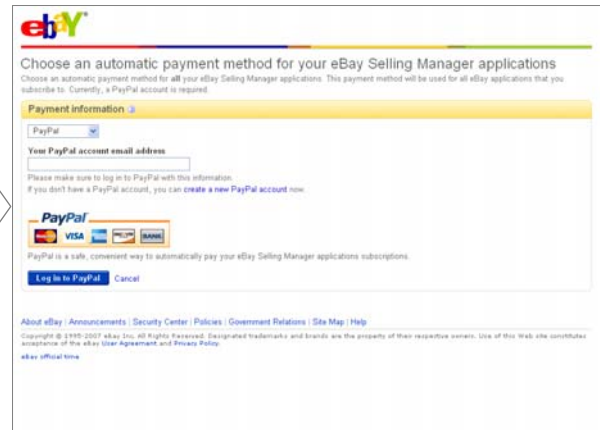
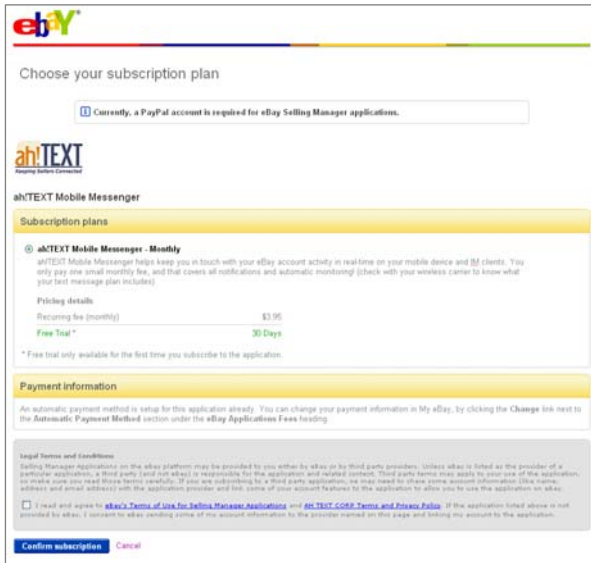
Currency	USD (Only supported currency)
Term/Length of Pre-Approval	The number of months the PayPal Pre-Approval Agreement should be valid for. This value cannot exceed 12 months per current PayPal requirements.
Pre-Approval Max Value of all Payments	Maximum amount user can be charged over lifetime of pre-approval agreement. Once reached, agreement will be expired by PayPal. Max amount is \$2000 USD

11.3 Plan Information

A developer will need to provide the following information for each plan defined:

Developer Application ID	Example: myapp.mycompany.com This is the id= value from the top of your Deployment Descriptor
Developer Application Name	This is the applicationName value from your Deployment Descriptor. This value will show on the Billing Statement next to the Plan Name. Example: {Application Name} - {Plan Name}
Developer Plan ID	This is a developer-assigned Plan ID that will be passed in the <externalID> field of the addSubscriber call to notify Developer of a new subscription.
Plan Name (displays)	Shows in Subscription Flow (See screen shot near cell B39). Displays when user is subscribing to a specific subscription plan of an application. Also shows up on Billing Statement next to your Application Name. Should be different than your Application Name. Billing Statement will display: {Application Name} - {Plan Name}
Plan Description (displays)	Extended plan description information to provide additional information about plan. Shows in Subscription Flow only
Plan Start Date	Value should be today's date if plan should start immediately upon being configured and approved in the system
Plan End Date	Used to control when the plan should no longer be offered in the subscription flow. Leave blank by default.
eBay Site ID	Only the US Site (site 0) is currently supported
Plan Type	Non-Billable, Billable. If free plan, choose non-billable. If plan will have some charge associated to it, choose billable
Recurring Charge	If your plan has a recurring charge, enter the amount in this field. SiteID defined will determine currency of plan.
Recurring Period	Monthly or Yearly
Pro-rate at End	Y or N. For Recurring Plans ONLY. "N" is the Only pro-ration option supported initially. (n = stop app at end of sub term y = stop app immediately)
Free Trial Period	In number of days. Minimum 7 Day Free Trial (Required by Developer's Program)
Non Recurring Fee (Setup)	Provide if your billing plan has a one-time setup fee. Setup Fees are collected at bill cycle time, not at time of sign-up.
Non Recurring Fee (One Time Price Plan)	Provide if your billing plan has a one-time fee. Example, \$50 charged once for the lifetime of the subscription. One-time Fees are collected at bill cycle time, not at time of sign-up
Usage	Y or N. If your plan is usage-based or includes usage-based charges, indicate Y.
Usage Category	Subscription Charge, Plan Usage, Non-Plan Usage If Usage was set to "Y", indicate what category types of usage your application uses. Multiple categories ok. Subscription Charge – Use if you will send in your subscription fee usage record via the Usage API. Plan Usage – Use if you will send in account activity usage records via the Usage API. Non-Plan Usage – Use if you will require authorizing payment for non-plan related usage (i.e. postage fees) activity. This value may only be used when the "immediate payment" flag is set to true.
Usage Details	Field used to provide more detail about usage charges. Some HTML Allowed: or Bold, or <i> Italics, <u> Underline, Ordered List, Un-ordered list

12 Subscription Flow – Example Screen Shots



13 Planned Capabilities

13.1 *Plan Start and End Dates*

The system will allow you to set start and end dates for your billing plans. These dates will allow you to control when the plans will show up in subscription flow.

13.1.1 Start Date

This value allows you to set a future start date of when the plan will show up in the subscription flow. If you set this date to the current date, the plan will not show up in the subscription flow until it has been fully configured in the MBP. After submitting your plans for eBay review, you can send in a request to find out an estimated date on when your plans will be available for subscription. You may set a start date to a date well in the future, if for example, you would like it to automatically appear six months in the future. If you have a created one plan to be displayed in place of another, set the end date of your original plan to one day before the start date of the second plan.

13.1.2 End Date

This value allows you to set an end date of when the plan will show up in the subscription flow. If you set an end date, and users are subscribed to the plan, they will continue to be subscribed and active to the plan. This value only controls whether or not the plan shows up in the subscription flow. In most cases, you should leave your plan end date empty.