

PHILIPS CONSUMER LIFESTYLE

Operating Guidelines - Warranty, Product Returns & Repair Policy

Any question in regard to the policies and procedures contained in this document should be addressed to the following:

For Warranty Policy and ASC Warranty Claims Procedure

Philips Customer Care (Philips Consumer Lifestyle Sector)

> P.O. Box 58088 Newville 2114, South Africa

Email: bobby.hambi@philips.com

Phone: 0861 333 541

For Retail Credit Returns Procedure

Philips Consumer Care

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The Philips Warranty

The Philips Warranty is set internationally and generally by Philips at Two years which may vary dependent on product category & promotional/marketing activities from consumer's date of purchase. Several product categories may carry a different within-country warranty period brought about by market dynamics and marketing activities. Therefore, when a consumer is purchasing a product with a longer warranty period, they are in effect getting an extended warranty for this extra period of time within the country of purchase only.

The Philips Warranty is applicable to new product sales and to the end-consumer only in possession of a proof of purchase document. It is not a warranty against stock in trade, demonstration stock, refurbished stock, returns, damage clearance or similar stock.

Philips does however honour a limited warranty with respect to dealer stock described in the document herewith below.

This Warranty policy only covers products sold and supplied by Philips South Africa Pty Ltd

Warranty Periods:

Table A: For Domestic use:		
Product Category	Period	
Personal Care (Male Grooming & Beauty)	2 Year	
Domestic Appliance (Kitchen Appliance & Garment Care)	2 Year	
Saeco / Philips (Coffee)	1 Year	

Table B: For Commercial use:			
Product Category	Period		
Personal Care (Male Grooming & Beauty)	1 Year		
Domestic Appliance (Kitchen Appliance & Garment Care)	1 Year		
Saeco / Philips (Coffee)	Not For Commercial		
	use		

All the abovementioned periods are covered by both spare parts and labour and are applicable from the end-Consumer's date of purchase.

Dealer Demo/Floor Stock

Dealer Floor Stock warranty will be accepted where the product has failed within the period as indicated in the above Commercial Use table (Table B).

- Repairs submitted to ASCs must indicate that they relate to stock units
- A copy of the delivery docket or Philips invoice to the retailer for the product must accompany the warranty repair

Where the retailer is unable to provide a copy of the delivery docket or Philips invoice, then the warranty period shall be limited to the date of manufacture (as determined from the serial number) plus the applicable period listed in the Commercial Use table (Table B) above, plus twelve weeks.

Outside of this period, if a product fails and has not been sold, it is not classified as a warranty repair and repair cost will be for the retailer's account. Philips will however honour a Warranty period of 3 months from date of sale for Dealer Floor Stocks sold outside table B.

Lack of Proof-of-Purchase



It may arise that products were sold into a commercial environment or for domestic use under certain circumstances such as gifts where the proof of purchase is often difficult to ascertain. In such circumstances, the age of the product from the date of manufacture (as determined from the serial number) will determine warranty eligibility as follows:

Table C: For Domestic Use	
Product Category	Period of Warranty from Date of Manufacture
Personal Care (Male Grooming & Beauty) Domestic Appliance (Kitchen Appliance & Garment Care)	2 years plus 12 weeks*
Saeco / Philips (Coffee)	1 year plus 12 weeks*

Table D: For Commercial Use	
Product Category	Period of Warranty from Date of Manufacture
Personal Care (Male Grooming & Beauty) Domestic Appliance (Kitchen Appliance & Garment Care)	1 Year plus 12 weeks*
Saeco / Philips (Coffee)	Not for Commercial use

* The extra 12-week pipeline allows for shipping time of the product from factory to purchaser

Where there is any doubt as to whether the product is covered by the warranty, please contact Philips Customer Care Centre, who will then advise whether or not the product will be covered. Ensure you have the correct product model & serial number details at hand.

Warranty Repair Eligibility

To entitle a successful warranty repair, a consumer must return to the retailer or contact a Philips appointed ASC (Authorised Service Centre) only, and produce:

- An Invoice or sales docket showing positive proof of purchase
- Complete product

Note: In some circumstances the customer may not have a proof of purchase for a legitimate reason e.g. the product was a prize or gift. Where this is the case the age of the set from the date of manufacture will determine eligibility under the warranty as per the table C and D. Failure to supply some of the accessories with the product for repairs may result in a delayed Turn-Around-Time and restrict a successful repair

If you are unsure of the nearest Philips ASC, please contact the Philips Customer Care Centre (086 108 4456) or visit the ASC locator on the Philips web-site www.philips.co.za

Philips International Warranty

The Philips International warranty which applies to products purchased outside South Africa is for a period as referred to in Table A and B from consumer's date of purchase.

Warranty repairs will be accepted for products purchased by the owner whilst he/she was abroad, providing the claimant attaches a copy of the sales receipt and stamped warranty card when submitting the product for repair.

(The reason for both documents being required is due to the high level of grey imports that occur in some overseas countries)

The International Warranty is not transferable and South Africa's CPA is not applicable to products purchased abroad.

For the repair claim to be accepted by Philips and in addition to the above, all purchase, product and consumer details must be provided as is standard practice for locally marketed products.



After sales Service (during and after the Warranty period), is available in all countries where the product is officially distributed by Philips. In countries where Philips does not distribute the product, the local Philips Service organisation may also provide service although there may be a delay if the appropriate spare parts and technical support/manuals are not readily available.

The sales receipt must clearly indicate the retailer's name and address, the purchase date and description of the product.

Exceptions to the International Warranty:

Some product categories are country specific and may not carry an international warranty as these are market specifically produced.

The local country's warranty conditions supersede the International Warranty.

Product Repair & Returns

Philips does not operate Philips-owned service repair centres. Therefore, after-sales repair products must not be returned to Philips South Africa (Pty) Ltd. Repairs should instead be sent to the nearest Philips appointed ASC only. Product returns require a pre-authorisation issued by Philips before any returns are possible.

14 (Business) days credit / exchange & CPA obligation

The Retailer may either have a faulty product repaired or may exchange the product for the consumer if faulty within 14 (Business) days of purchase.

For a retail credit claim perspective, the following criterion apply:

- Product must be faulty, with original packaging, complete and all its accessories, within 14 (Business) days of purchase (proof must be supplied)
- Philips reserves the right to verify and test products including at dealer's premises prior to credit or replacement
- Product must be complete with all its components and / or accessories to qualify for full credit
- Shavers and Personal Care will not be exchanged and/or Credited if used due to hygiene reasons but will follow a repair process instead
- Philips will arrange the return/collection of such faulty goods from the retail stores and for this purpose RAV (Return Authorisation Voucher) reference will be supplied. The RAV reference must be obtained directly from Philips only
- Credit will only be issued to the retailer if Philips is notified first, RAV reference issued and once Philips and/or its representatives are in possession of the faulty product
- Credit Note must be received by Philips within 20 (business) days from customer replacement/credit date, failing which, the retail claim to Philips will become stale and will no longer be processed
- Unless the product is faulty, a 10% handling fee will be levied for all returns with open boxes and/or broken seals in conformance with the CPA's 10 (Business) day exchange provision

Note: products which are exchanged by the retailer in contravention of the above criteria will not be accepted by Philips for credit

15 (Business) days repair turnaround obligation – (RTE, Repair Time Elapse)

Philips Consumer Care via its appointed Authorised Service Centres (ASC), aims at a maximum of 15 (Business) day turn-around-time from ASC receipt date. (Exceptions with specific retail customers may be in place)

Should this period be exceeded, Philips will exchange or credit the product upon mutual agreement with Dealer. (Mutual agreement is to cover issued quotes and any warranty exclusions)



Under the CPA, between the period of 11 business days & 6 months (inclusive) from date of purchase, consumers have the choice to have a product repaired, replaced or refunded by the retailer if it does not comply with the provision of section 55 of the CPA. In order to establish and execute consumers' statutory right, a reasonable period of time is required to establish whether a product falls foul of the implied warranty provision of section 55. Therefore, the standard ASC repair RTE process will be followed during this period including the "consumer's choice" which will accompany the product and the proof of purchase.

Dealer shall ensure that the product is complete with packaging and all accessories by only exchanging/replacing for the consumer what is returned (e.g. if only the product (no accessories and packaging) was returned, then exchange the product only and use the new product's packaging to return a complete box to Philips)

Change of mind Returns and Refunds

Philips is not obliged by law to accept returns and refunds in the event of consumers returning goods because they changed their minds unless a product has been purchased via a Philips direct marketing channel.

Over the Counter Exchange Policy (OCX)

Faulty products priced under a retail value of R300 (*subject to change*) and applicable to the following categories may be covered by a dealer OCX replacement warranty:

- Hairdryers
- Hair Clippers
- Entry Level Irons

Philips and/or its ASC's may not stock spare parts for products that fall under the OCX categories. The onus is on the Philips dealer to replace the faulty product for the consumer and contact the Philips Returns Department for replacement/credit.

Philips warranty exclusions apply to OCX and Philips Retail Credit Department must be contacted to pursue the process and the issuing of the RAV reference.

Warranty exclusions

The warranty applies only to manufacturing faults and does not include any other service provided. The warranty does not cover failures caused by but not limited to, any of the following:

- Defective as a result of misuse, negligence or carelessness either in its use or storage (e.g. failure to follow the instructions for using the appliance);
- Defective as a result of improper installation, maintenance or repairs performed by unauthorized persons, or which has been damaged during transport;
- Defects not attributed to faulty workmanship, but rather to the wear and tear that occurs during normal use of the appliance (such as, lime scale build-up and deterioration of parts subject to wear, such as gaskets, grinder disks, water filters, shaver heads or blades);
- Damaged by lightning discharges, power surge, humidity, fire, incompatible voltages, or any other cause not objectively ascribable to the manufacturer
- Defective as a result of improper or poor maintenance (in particular, if descaling is not performed regularly and all components and connections are not cleaned properly)
- Force Majeure, accidental breakage, transport damage and/or packing materials
- Damage due to neglect, abuse or misuse, vermin infestation, liquid spillage, corrosion, physical breakage of doors and/or flaps
- Units considered as "No Fault Found " ("NFF")



• Shaver Heads – This is a wear and tear item which is only covered under a replacement warranty within 14 business days of purchase

Note (regarding Saeco/Philips (Coffee) appliance): Please be aware that the appliance settings and calibrations ("e.g." water temperature, fineness of grind) have been standardized for all countries; therefore, we shall not accept claims in connection with the request to modify these settings. In addition, no warranty claims will be accepted in the case of improper use and/or operation outside the usage parameters stated in the directions for use, which explicitly exclude professional use. Professional use is defined a use at a frequency that exceeds the normal, average domestic use for which the appliance was designed.

Consumer responsibility for maintenance:

Consumers must maintain their Philips Saeco appliance according to user manual. Descaling is recommended every 2-3 months. Failure to regularly descale the Philips Saeco appliance voids warranty.

Product Failures outside of the Philips Warranty Period

Retail buy-out Warranty

Some retailers may purchase the warranty from Philips and carry their own Warranty repairs and / or product exchange for consumers. In such cases, consumers will return back to the retailer and point of purchase for a product repair or replacement in the event of product failure during the warranty period. The repair and return obligation under the CPA will be with the retailer.

Extended Warranties / Service Contracts

Extended Warranties, Service Contracts or similar such insurance type policies that offer the consumer protection against breakdown of a product after the manufacturer's warranty has expired are widespread and generally available through most retail outlets.

At time of purchase or shortly thereafter, the consumer has the opportunity to decide whether or not they wish to purchase this additional protection.

Is the product covered by any form of extended warranty or service contract or similar?

<u>If so</u>, then any liability for repair / replacement costs lies with the company that sold the contract covering the product. Therefore, Philips will not pay any costs towards repairs. The company offering the contract does so on a commercial basis and should therefore take the risk along with the reward.

If not. then the consumer has elected not to take such cover and therefore has made the decision to take own risk. Once making this decision, then to pass on the cost of this decision to another party is not deemed to be fair or reasonable. As such Philips will generally not entertain any request for a financial contribution to repair costs.

Economics of Repair (Out of Warranty Period)

Product design is evolving so that circuitry is becoming more complex and modular. As such, these modules can be expensive to procure for a repair.

Coupled with this, there is significant price erosion annually, so that new products generally can be offered in the marketplace at a more competitive price than earlier models, or offer enhanced functionality at a stable price.

These elements in combination with the age of the product can combine to question the economics of a repair.



It can be that a decision to replace a product rather than to affect a repair is the more sensible and cost effective approach, but only the owner can make this decision based on the facts to hand.

Where a consumer is considering such an option, Philips will offer advice and the possible option of a pro-rata discount on a new product where the consumer decides to forgo the repair and choose an upgrade.

This pro-rata discount is only made available where Philips considers the repair costs to be excessive in relation to the normal purchase price of the product, and is fully satisfied that the product has such a fault that renders it uneconomical to repair and section 56 of the CPA does not apply to the transaction in question.

In such cases, Philips will deal directly with the consumer arriving at a mutually suitable arrangement, albeit within Philips Consumer Lifestyle guidelines.

The Philips Warranty Policy is a "carry-in" Warranty. Effectively, the product will be delivered by customer to the nearest ASC / Retailer. Please consult with your nearest ASC as some offer a no charge collection and delivery service provided the dealer/store is within 25km radius from the ASC.

Contact Details

Function	Email	<u>Phone</u>	<u>Fax</u>
Philips Call Centre		086 108 4456	
Spare Parts Availability	Via Philips Appointed Authorised Service Centres only. Call for the closest centre.	086 1084 456	
Consumer Lifestyle Sales Order Desk	CLorderdesk.za@philips.com	+27 11 471 5701 +27 11 471 5532	
Philips South Africa Commercial		+27 11 471 5000	
Product Credit/Returns	pcscredits.za@philips.com	0861 333 541	0866 364 741

Please note:

- Technical repair support and spare parts may not be available for OCX (replacement) product categories.
- One page summaries are available for in-store guide purposes. (Contact your local Philips representative)
- If you need more information or if you have problems obtaining service, please visit www.philips.co.za/support or contact the Consumer Care Centre

SOUTH AFRICA

Philips Consumer Lifestyle Call Centre: 0861 084456 Email: <u>philipssupport.za@philips.com</u> www.philips.co.za/support