ecoled 30 March 2016

#### Return and Warranty Policy

# 1. Non Faulty returns

1.1. A full credit will be issued if returns take place within 7 days of invoice date for all stocked products, if the items are incorrectly supplied or not according to requested specification, provided goods are in their original undamaged packaging. ecoLED will arrange collection at ecoLED's expense if requested in writing within these 7 days.

- 1.2. All special order goods will receive a full credited if returned within 3 days (weekend and public holidays accounted for) of delivery if the items are incorrectly supplied or not according to requested specification, and unused provided goods are in original sale and packaged condition. ecoLED will arrange collection at ecoLED's expense if requested in writing within these 3 days. Except with written agreement otherwise; request for returns of these goods out of this 3 day window will be passed at 90% of the customers purchase price.
- 1.3. If the return of correctly supplied goods takes place within 7 days from the date of invoice, then the credit passed will be the lesser amount of 95% of the customers purchase price, and or 1.7 below as justified by the extenuating circumstances.
- 1.4. If the request for return or return of any goods takes place after 7 days from the date of invoice, then the credit passed will be the lesser amount of 90% of the current selling price, or 90% of the original purchase price, whichever is lower, provided the goods are in original sale condition. The acceptance of such returns is at ecoLED's discretion.
- 1.5. If the request for return or return of any goods takes place after 30 days from the date of invoice, then the credit passed will be the lesser amount of 80% of the current selling price, or 80% of the original purchase price, whichever is lower, provided the goods are in original sale condition. The acceptance of such returns is at ecoLED's discretion.
- 1.6. If the request for return or return of any goods takes place after 90 days from the date of invoice, then the credit passed will be the lesser amount of 60% of the current selling price, or 60% of the original purchase price, whichever is lower, provided the goods are in original sale condition. The acceptance of such returns is at ecoLED's discretion.
- 1.7. All returned globes correctly supplied will be subject to a testing fee of R2 per globe and all returns not properly packaged will be subject to a repackaging fee of R2 per globe plus the cost of new packaging if deemed necessary by ecoLED.
- 1.8. The cost of return or collection for correctly supplied products will be for the account of the purchaser however incurred, unless otherwise specifically agreed in writing by ecoLED.

# 2. Faulty Returns

- 2.1. All ecoLED globes carry a minimum 1 year warranty. Where specified, globes carry a 2 or 3 year warranty. Globes used for Eskom Rebate projects carry a 3 year warranty only if so specified on the invoice. Should any globe fail during its warranty period from normal course of operation for which the globe was originally designed or advertised, an equivalent replacement product will be provided in exchange for the original unit; or a credit or refund will be given at ecoLED's discretion. Such exchange will be subject to a valid receipt of proof of purchase within the applicable warranty period.
- 2.2. Any return will be subject to an inspection of the returned goods by ecoLED which will be limited to an inspection period not exceeding 7 days. Where possible ecoLED will inspect goods immediately on return and exchange faulty returns like for like.
- 2.3. Should the goods returned for inspection not be deemed faulty by ecoLED, they will be made available for collection at the customers convenience for a period of 30 days following inspection, subject to 1.7 and 1.8 above, where after ecoLED is entitled to

- dispose of them if payment or acceptance of invoice for return delivery to the client is not received.
- 2.4. Where possible, replacement goods will be returned to the client together with their next order above minimum free delivery quantity or posted to their nearest post office without charge. Other requested forms of delivery will be for the clients account.
- 2.5. If any returned product suffered any physical damage, intentional or unintentional damage caused by a higher voltage being applied to the product than for which it was designed or marked, it will render any warranty, stated or implied, null and void.
- 2.6. Should ecoLED at a date within 12 months of processed return determine that damage to any goods for which a credit or exchange has already been processed, been caused by intentional or improper use or connection, then ecoLED reserves the right to re-invoice the client for goods replaced or refunded or reverse credits for credits granted. Such action will only take place once documented proof of damage from a legitimate qualified inspection has been presented to the client for verification and objection.
- 2.7. Conditional acceptance of returns will be subject to the following conditions:
  - 2.7.1. The products need to be ecoLED products bought by the returnee
  - 2.7.2. The returnee is required to present documentation of the purchase
  - 2.7.3. The products need to be within their warranty period as determined by their batch number or other relevant documentation.
  - 2.7.4. Faulty products need to be returned within 3 months of their failure date
  - 2.7.5. The nature of the fault needs to be conveyed to the returns agent at ecoLED for testing and recording purposes. To assist in the above and eliminate unnecessary transport and time related expenses ecoLED requests that the client completes and emails the faulty returns document prior to returning actual goods to ecoLED.

#### 3. Wholesaler Returns

- 3.1. Wholesalers are required to accumulate faulty returns from their clients according to their own return policies and make these available for a monthly collection by an ecoLED representative at a designated central location.
- 3.2. The wholesaler is required to contact ecoLED management to inform them of the estimated return quantity and arrange a convenient time to collect returns at least once a month if their representative has not collected their returns within this period.
- 3.3. ecoLED will inspect these returns at the agreed location once a month and will provide the wholesaler with a "Confirmation of return document" or sign such a "request for credit document" presented by the wholesaler for the faulty products. An ecoLED representative is not authorized to sign a confirmation of confirmed faulty and agreement of compensation document on ecoLED'd behalf. Any such document signed by the representative will be invalid and will only deem to be an acknowledgement of the quantity of supposedly faulty goods returned by the wholesaler.
- 3.4. The ecoLED representative will return these goods to ecoLED for official testing and warranty validation.
- 3.5. Acceptance of presented returned goods will be subject to the following conditions:
  - 3.5.1. The products need to be ecoLED products bought and sold by the Wholesaler;
  - 3.5.2. The products need to be within their warranty period as determined by their batch number calculated as follows:
    - 3.5.2.1. Faulty products need to be returned within 2 months over their published warranty period from date of purchase to qualify. In order to achieve this the wholesaler is required to:
      - 3.5.2.1.1. Practice good business policies of which some are noted in 5.9 below;
      - 3.5.2.1.2. Inform ecoLED of products not sold within a 2 month period;
      - 3.5.2.1.3. Request a product swap for products over 3 months old;
      - 3.5.2.1.4. Inform ecoLED of products that have "stopped moving" well within the warranty period.

- 3.5.2.2. Any product that falls outside this 2 month "extension period" needs to be accompanied by a copy of an original receipt of purchase by the customer.
- 3.5.3. The products need to conform to the general conditions or acceptance of returns as in point 4 below.
- 3.6. Compensation in accordance with this policy will then be offered to the wholesaler within 7 working days.
- 3.7. The wholesaler may request a fault report on the products returned if this is not offered voluntarily.
- 3.8. On acceptance of the warranty offer, it will be processed and executed by ecoLED.

### 4. General Conditions for acceptance of faulty returns

- 4.1. Products that are claimed to be faulty need to show palpable evidence of the fault.
- 4.2. Warranty will be void if products show evidence of damage caused by inappropriate use such as but not limited to;
  - 4.2.1. damaged or loose extremities,
  - 4.2.2. missing components,
  - 4.2.3. heat, smoke or liquid damage,
  - 4.2.4. foreign adhesives, paint or rust,
  - 4.2.5. modification of the product,
  - 4.2.6. supply of electricity beyond its specified limits.
- 4.3. Warranty will be void if returns have removed or modified markings such as but not limited to;
  - 4.3.1. branding,
  - 4.3.2. technical identifications.
  - 4.3.3. or batch numbers.
- 4.4. Warranty will be void if products are not returned to ecoLED within their warranty period as determined by the batch numbers on the product, or in the absence of supporting documentation when justifying warranty out of this period.
- 4.5. Light degradation or minor colour change over the life of the LED is normal and not considered faulty unless agreed to be excessive by ecoLED.

# 5. Onus and responsibility

- 5.1. ecoLED undertakes to implement reasonable policies to endure that there is little chance that we supply our clients the incorrect products. These policies and procedures include but are not limited to:
  - 5.1.1. After an order is received by ecoLED, a sales order is emailed to the dealer with the product code and description on it for verification and confirmation. For customer convenience, payment or a confirmation email is accepted as verification.
  - 5.1.2. Once we receive either of the above one staff member packs the goods according to the delivery note which is an exact copy of the sales order goods.
  - 5.1.3. The goods get assigned a location in our dispatch for the client and a different staff member checks the goods thoroughly and counter signs the delivery note. All large products are opened and powered up to reconfirm perfect operation prior to dispatch. Multiple boxed items are weighed and recorded to determine inconsistency against datum values to eliminate the "empty internal box" or "missing content" scenario. Batch codes are recorded and put on the system.
  - 5.1.4. Once payment is confirmed the delivery note/sales order is converted into an invoice with the addition of dispatched batch numbers only.
  - 5.1.5. Sales Orders, Delivery Notes and Invoices are converted from each other and may not contain changes to the products or their quantities listed thereupon, thus disallowing our staff to amend any stage of a confirmed order.

- 5.1.6. All goods that leave the premises must be signed for by the person collecting them. In the case that the client choses to use a courier, the courier's signature is confirmation of correct supply of the goods.
- 5.2. It is the responsibility of the client to check all goods on receipt including when received from a delivery service, sales rep or office dispatch.
- 5.3. The client is required to inform ecoLED within 3 days of receipt of any incorrect supply.
- 5.4. The onus will be on the client to inform and satisfactorily present ecoLED with the errors of the occurrence and the probability of the responsibility.
- 5.5. ecoLED will undertake to investigate the clients claims and rectify the failings without unreasonable delay.
- 5.6. ecoLED will offer to compensate the client in accordance to the terms and conditions of this document whichever is determined as most applicable. The client has the right to accept or reject this offer.
- 5.7. It is the responsibility of the client to return goods claimed to be faulty to ecoLED for testing prior to ecoLED accepting and quantifying the claim.
- 5.8. It is the responsibility of the client to test all "claimed to be faulty" product prior to returning these goods to ecoLED to avoid associated costs for non-faulty returns.
- 5.9. To avoid product being sold and returned that has less than full warranty term, it is the responsibility of the reseller to:
  - 5.9.1. Implement a proper stock rotation system. "First in, first out" system;
  - 5.9.2. Advertise and sell off old models in stock before promoting new models, or;
  - 5.9.3. Sell off old models at reduced profit to clear potential redundant stock;
  - 5.9.4. Monitor returns to the reseller by batch number and or purchase receipt.
  - 5.9.5. Implement internal management procedures to limit related fraud and staff abuse.
- 5.10. It is the responsibility of the client to familiarize himself with the terms of this agreement and to inform ecoLED of any unreasonable terms noted herein. The client will be provided with a link to the website location of this document by email signature randomly and anytime on request.
- 5.11. As this document may change from time to time it is required of the client to familiarize himself with these changes, so as to avoid possible disputes over version differences. The published date on the latest document will always be on the top right of this document for easy reference.

#### 6. Rights and Amendments

- 6.1. ecoLED reserves the right to amend this document from time to time. These conditions will apply to all goods returned after the last publication date of this document.
- 6.2. The latest amendment will be published on <a href="www.ecoled.co.za">www.ecoled.co.za</a> within 48 hours of amendment and a link will be provided on all future email correspondence related to this document, such as order confirmations, invoicing and return requests, as far as reasonably possible.
- 6.3. Within 12 months of a processed return, ecoLED reserved the right to re-invoice the client for goods replaced or refunded, or any part thereof, or to reverse credits up to an equal amount of the credits granted, should;
  - 6.3.1. the failure of the goods be determined to be as a result of 4.2.1 through 4.2.5 above or:
  - 6.3.2. in the case of a conditional credit where the client fails to conform or fulfill his part of the condition as offered by ecoLED in writing (email included);
  - 6.3.3. providing ecoLED forwards documented proof of damage from a legitimate qualified inspector to the client for verification and objection in the case of 6.3.1 or within 7 days of the breach of the agreement in the case of 6.3.2

### 7. Objections and additional claims

- 7.1. Should the client have any objection to the warranty offered by ecoLED and require alternative compensation, such an objection must be sent to one of the managerial staff of ecoLED by email within 7 days of the warranty offer. Should the objection contain specifics of the objection, grounds for the objection and requested compensation, the matter will be considered by management. It is the responsibility of the client to forward any supporting documentation justifying any extenuating circumstance requiring a deviation from this warranty policy.
- 7.2. Although ecoLED exonerates itself from claims beyond the cost of the replacement product, any such claims against ecoLED will only be entertained or considered if presented to management by email within the warranty period of the product.
- 7.3. Any such communication with ecoLED will only be deemed to be delivered and read once a reply is received from one of the managing partners of ecoLED.
- 7.4. ecoLED undertakes to address all such claims and objections according to a "reasonable man" policy.