

## ILIAD SUPPLIER RETURNS POLICY

### 1. Introduction:

- 1.1. ILIAD is committed to fair trading practices as well as the principles envisaged in the Consumer Protection Act, Act 68 of 2008 ('CPA') in all dealings with our Consumers.
- 1.2. ILIAD acknowledges that Consumers have certain specified rights in terms of the CPA as well as in terms of the common law in their dealings with ILIAD, including the rights of Consumers to return goods to ILIAD in certain specific instances.
- 1.3. The Customer Returns Policy sets out the circumstances in which Consumers can return goods to ILIAD – and which details:-
  - (i) the *reasons* for which goods can be returned;
  - (ii) the *period* within which goods need to be returned, and
  - (iii) the *rights and duties* of both the Consumer and ILIAD when goods are returned.
- 1.4 This policy sets out the circumstances in which ILIAD will return goods to the Supplier, and details the right of recourse against the Supplier where a Consumer initiates legal action against ILIAD in respect of the goods sold to the Consumer.

### 2. Return of goods to the Supplier:

2.1 Although the law does not give Consumers an automatic right to return goods for any reason, ILIAD will abide by the provisions of the CPA, as amended, as set out in the ILIAD Customer Returns Policy, which specifically excludes the following goods:

- (i) special order goods (these are goods that we changed, amended or procured for the Consumer specifically to meet their specific needs – in other words customized goods and other goods that ILIAD or the Supplier do not usually stock);
- (ii) those goods that ILIAD and the Supplier have ceased to supply or stock.

#### 2.2 Defective goods:

- (i) All goods purchased from the Supplier must carry a manufacturer's warranty of at least 12 (twelve) months from date of sale or date of delivery (the later date of the two dates) against defects.
- (ii) If the goods show a defect during the first 12 (twelve) months after purchase by Consumer, or the goods were delivered to the Consumer (the later date of the two dates), ILIAD will be obliged to repair or replace or refund the value of the goods. Where the goods are replaced or refunded, the defective goods will be returned to the Supplier for a full refund thereof at the current list price.
- (iii) If the manufacturer's warranty on the particular goods sold to the Consumer extends beyond the 12 (twelve) month period, ILIAD, in its sole discretion, will repair or replace the goods (provided the defect occurs after the first 12 (twelve) months but still within the manufacturer's warranty period), and such repair or replacements costs will be recovered from the Supplier.
- (iv) Where the defect in the goods was caused due to the abuse thereof by the Consumer, fair wear and tear or Consumer negligence, the warranty will no longer apply and ILIAD will not accept the return of the goods in question.
- (v) Clearly, where the Consumer fails or neglects to follow the instructions of use or guidelines in printed material provided to the Consumer in connection with the goods or if you used the goods for a purpose other than what it was intended to be used

for, in such instances ILIAD will not accept the return of such goods.

- (vi) Where the Supplier is unable to provide after-sales-service in accordance with the reasonable expectations of ILIAD or its Customers, the goods in question will be returned to the Supplier for a full refund thereof at the current list price.
- (vii) In circumstances where the Supplier is placed under provisional or final liquidation or winding up, the goods will be returned to the Supplier for a refund as set out in (vi) above.

#### 2.3 Specific purpose of goods:

Where these goods are supplied by the Supplier, the Consumer will be entitled to return such goods bought from ILIAD within 10 (ten) days if:

- (i) the goods were purchased for a *specific purpose*;
- (ii) the purpose was *communicated the purpose* to the salesperson;
- (iii) the salesperson *confirmed* that the Consumer would be able to use the goods for the purpose indicated by the Supplier; and
- (iv) it turns out that the *goods are not fit* for that particular purpose.

ILIAD will be entitled to return the goods in question to the Supplier for a full credit at the current list price.

#### 2.3 Goods that do not conform with the sample and description provided by the Supplier:

If the Consumer orders goods from a sample and/or description received from the Supplier and the Consumer did not inspect the goods before they were ordered, the Consumer may return the goods within 10 (ten) days after delivery if they do not materially conform to the sample and/or description, as provided. In these circumstances ILIAD would be entitled to return such goods to the Supplier for a full credit.

#### 2.4 Goods which are damaged upon delivery or receipt thereof.

#### 2.5 Goods in respect of which the Supplier is unable to provide the guarantee or warranty required in law, or as set out in the order from ILIAD.

#### 2.6 Goods which are to be replaced in terms of the range and mix replacement implemented by the Supplier or which form part of a range that is discontinued by the Supplier.

#### 2.7 Should stockholding of goods exceed the agreed settlement dates according to the Trading terms concluded with the Supplier i.e. overstocks and/or slow moving goods, ILIAD shall be entitled to:

- (i) Return the overstocked goods to the Supplier for a full credit at the current list price; or
- (ii) Receive a percentage or Rand value from the Supplier to reduce the current selling price, however the percentage or Rand value shall not form part of any rebates or set-off as set out in the Trading Terms; or
- (iii) Take an additional 30 (thirty) days to pay for such goods which 30 (thirty) day period will be in addition to any agreed settlement terms specified in the Trading Terms.

#### 2.8 All Suppliers to ILIAD will accept the return of goods for a full credit as set out herein, according to the terms of ILIAD's Customer Returns Policy, in terms of which inter alia, Customers will be afforded a minimum period of 21 (twenty one) days from date of purchase by the Customer within which to return the goods purchased.

2.9 ILIAD will grant the Supplier 21 (twenty one) working days in which to conclude all account queries and/or credits. This includes the upliftment and replacement of damaged goods and/or the passing of credit notes.

2.10 Queries/credits are not to be rolled over to the following month. All queries not resolved within 21 (twenty one) working days, will result in the amounts in question being deducted from the Suppliers account at the end of the month in which the credit/query is requested or raised, as the case may be.

Procedures conflicting with this clause will result in all returns being deducted immediately from the Suppliers account at the current list price of such goods.

2.11 Goods returned for repair must be returned fully repaired with an extended warranty to ILIAD or its Customer within 21 (twenty one) working days of receipt thereof by the Supplier, or alternatively the goods will be replaced, in full, at no additional cost.

2.12 Repair charges for goods falling outside the guarantee or warranty period of the Supplier, must be quoted in writing to ILIAD and the Customer. Failure to comply herewith by the Supplier will result in the full cost of such repairs being borne by the Supplier.

2.13 Over supplies will be returned for full credit. Partial or back orders where applicable or as requested, is to be arranged with the individual ILIAD participating store.

2.14 Proof of purchase:

If the Consumer return goods to ILIAD for any reason set out herein, ILIAD will require that the Consumer furnishes proof of purchase or a copy of the delivery note in order for ILIAD to determine and confirm:

- (i) that the Consumer bought the goods from ILIAD;
- (ii) when the goods were bought by the Consumer.

### **3 Legal claims by Consumers and Suppliers Indemnity:**

3.1 Where a Consumer initiates a civil claim against ILIAD in terms of section 61 of CPA for:

- (a) the death of, or injury to any natural person;
- (b) an illness of any natural person;
- (c) any loss of, or physical damage to, any property, irrespective of whether it is movable or immovable;

as a consequence of:

- (d) supplying any unsafe goods;
- (e) a product failure, defect or hazard in any goods; or
- (f) inadequate instructions or warnings provided to the consumer pertaining to any hazard arising from or associated with the use of the goods,

irrespective of whether the harm resulted from the negligence on the part of the ILIAD or the Supplier, whose liability is joint and several (subject to the legal defences available in clause 61(4) of CPA), ILIAD will have the right to recover all damages claimed from the Consumer, including any consequential damages suffered, from the Supplier, and the Supplier indemnifies ILIAD accordingly.

3.2 The Supplier further indemnifies ILIAD, its officers and employees and holds each of them harmless from liability including damages, legal costs (on the *de facto* scale as between attorney-and-own-client) and interest which ILIAD may incur to any third party arising or attributable to:

- (i) the negligence of the Supplier, its officers, employees, agents or sub-contractors;
- (ii) any infringement of any intellectual property rights relating to the goods;
- (iii) any failure by the Supplier to perform or discharge any of its obligations in terms of this agreement timeously or at all.