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**From:** Elliott, Grant  
**To:** [Kuti, Adrian \(akuti@claytonutz.com\); bloyd@claytonutz.com](mailto:Kuti,Adrian(akuti@claytonutz.com); bloyd@claytonutz.com)  
**Cc:** [Wang, David](#)  
**Subject:** Apple Undertaking [SEC=UNCLASSIFIED]  
**Date:** Wednesday, 18 December 2013 11:34:00 PM  
**Attachments:** [oceo b undertaking b s87b b ap \(D2013-00178396\).pdf](#)

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Dear Adrian,

I attach a copy of the signed Undertaking accepted by the Commission.

Kind regards,

Grant Elliott  
Director | Enforcement Group - NSW  
Australian Competition & Consumer Commission  
Level 20 | 175 Pitt Street Sydney 2000 | HYPERLINK "<http://www.accc.gov.au>"<http://www.accc.gov.au>  
T: +61 2 9230 3878  
P --- Please consider the environment before printing this email

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## COMPETITION AND CONSUMER ACT 2010

Undertaking to the Australian Competition and Consumer Commission given for the purposes of section 87B

by

Apple Pty Limited

ACN 002 510 054

### Persons giving this Undertaking

1. This undertaking (**Undertaking**) is given to the Australian Competition and Consumer Commission (**the ACCC**) by Apple Pty Limited (ACN 002 510 054) (**Apple**) of Level 13, 255 Pitt Street, Sydney NSW 2000, for the purposes of section 87B of the *Competition and Consumer Act 2010 (the Act)*.

### Background

#### *Apple*

2. Apple is a subsidiary of Apple Inc. and carries on business in Australia as an importer, distributor and supplier of computer equipment, portable media players, mobile phones, tablets and Apple and third party accessories to consumers.
3. Insofar as Apple imports third party products for sale in Australia, Apple is deemed to be a manufacturer of those products within the meaning of the Australian Consumer Law (**ACL**) (being Schedule 2 to the Act) where the manufacturer of those third party products does not have a place of business in Australia.

#### *Statutory consumer guarantees regime*

4. The ACL commenced on 1 January 2011 and contains statutory guarantees in Division 1 of Part 3-2 which provide consumers with a basic, guaranteed level of protection for goods and services which they acquire (**the statutory consumer guarantees**). The statutory consumer guarantees cannot be excluded, restricted or modified.
5. Consumers who are supplied with goods or services that fail to meet the statutory consumer guarantees are entitled to certain remedies under part 5-4 of the ACL depending on whether the failure is major or minor. These remedies include a repair, replacement or refund.
6. If a failure of a good is major, the consumer may choose to receive a refund or a replacement. If the failure is minor, the supplier may choose to provide the consumer with a refund, repair or replacement.
7. Representations by suppliers that consumers are not entitled to a statutory remedy when there is a major or minor failure of the good may contravene the ACL. Representations by the manufacturer that consumers are only entitled to a remedy specified by the manufacturer may contravene the ACL. The ACL prohibits a person from:
  - (a) engaging in conduct that is misleading or deceptive or is likely to mislead or deceive (section 18); and
  - (b) making a false or misleading representation concerning the existence, exclusion or effect of any condition, warranty, guarantee, right or remedy (including a

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guarantee under Division 1 of Part 3-2) in connection with the promotion, supply or possible supply of goods or services (section 29(1)(m)).

## *ACCC concerns generally*

8. The ACCC and other consumer protection agencies receive a number of complaints each year relating to representations made or positions taken by suppliers in relation to consumer guarantee rights associated with goods or services sold to consumers.
9. On the basis of those complaints, the ACCC was concerned that some suppliers were making false or misleading representations to Australian consumers about their statutory guarantee rights in relation to:
  - (a) the circumstances in which the statutory consumer guarantees apply;
  - (b) the remedies available to consumers where goods or services do not meet the statutory consumer guarantees; and
  - (c) the interaction between the statutory consumer guarantees and voluntary express warranties offered by manufacturers.
10. The ACCC has implemented a national project to educate consumers about their rights under the ACL, and to ensure suppliers are complying with their obligations under the ACL.

## *ACCC concerns raised with Apple*

11. In the context of this national project, the ACCC has raised concerns with Apple that at various times from 1 January 2011, Apple, as a supplier, made representations to consumers to the following effect:
  - (a) that Apple is not obliged to give refunds in circumstances where there is a major failure of the good purchased by the consumer;
  - (b) that Apple is not obliged to provide a refund, replacement or repair in circumstances where there is a minor failure with the good purchased by the consumer;
  - (c) that Apple is not obliged to provide a refund, replacement or repair to consumers who purchased goods from Apple that were manufactured by a third party where there is a major or minor failure of the goods; and
  - (d) that a refund, replacement or repair is not available to consumers who purchased third party products from Apple's iTunes or App Store where there is a major or minor failure of the goods.
12. The ACCC has raised concerns with Apple that at various times from 1 January 2011, Apple, as a manufacturer, made representations to the following effect to consumers concerning goods manufactured or imported by Apple:
  - (a) that consumers are only entitled to a remedy specified by Apple in respect of those goods when the consumer may be entitled to a remedy from the supplier of the goods where there is a major or minor failure of the goods; and
  - (b) that consumers have no redress from Apple when the consumer may be entitled to damages from Apple as a manufacturer or deemed manufacturer of the goods where there is a major or minor failure of the goods.

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13. The ACCC has raised concerns with Apple that representations of the type referred to in paragraphs 11 and 12 may have arisen from the application by Apple staff on some occasions of the following policies to the exclusion of potential statutory remedies:
- (a) From at least 1 January 2011 to the date of this Undertaking, Apple offered Australian consumers a full refund for eligible products purchased from an Apple Retail Store or the Apple Online Store which are returned within 14 days of purchase (with original packaging and proof of purchase).
  - (b) From at least 1 January 2011 to the date of this Undertaking, Apple gave Australian consumers a voluntary 12 month limited manufacturer's warranty which provided a refund or cost-free repair or replacement for Apple branded products which are defective and returned within 12 months of purchase (barring any liquid, physical or cosmetic damage).
  - (c) From at least 1 January 2011, Apple directed Apple representatives to refer requests for technical support for non-Apple manufactured products purchased from an Apple Retail Store or the Apple Online Store to the manufacturer of the product for resolution.
  - (d) From at least 1 January 2011 to on or about 13 August 2013, Apple's iTunes Store terms and conditions contained the phrase "All sales and rentals of products are final".
  - (e) From at least 1 January 2011, Apple operated a policy whereby Apple provided a credit of the cost price of an Apple product to resellers of Apple products if the reseller returned a faulty Apple product (returned by a consumer to the reseller) to Apple within 14 days of purchase of the Apple product from the reseller by the consumer (barring any liquid, physical or cosmetic damage).
14. The ACCC has expressed its concerns to Apple that its representations in paragraphs 11 and 12 above have been made, and, on some occasions, its policies in paragraph 13 above have been implemented, in a manner contrary to the statutory consumer guarantees.
15. Apple:
- (a) acknowledges the ACCC's concerns;
  - (b) acknowledges that representations to the effect described in paragraphs 11 and 12 above and the inappropriate application of policies described in paragraph 13 above may have contravened sections 18 and/or 29(1)(m) of the ACL; and
  - (c) has worked with the ACCC to resolve its concerns and is prepared to publicly commit by way of this Undertaking to a comprehensive suite of measures which are the subject of this Undertaking.

## Resolution

### *Apple's commitment to ACL compliance*

16. Apple had in place throughout the relevant period since the introduction of the ACL on 1 January 2011 compliance programs designed to educate Apple staff about Apple's obligations under the ACL.

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17. In response to the ACCC's concerns, Apple has implemented a range of measures set out in **Annexure A** to further improve its own ACL compliance processes. These measures include, in summary:
- (a) *Consumer education*: dedicated webpage, in-store brochure and automated voice recording notifying consumers of their ACL rights;
  - (b) *Training*: frequent and comprehensive staff training, including online and in-person training of staff who deal with Australian consumers;
  - (c) *Empirical Data Verification*: establishing and deploying an empirical data verification program to conduct anonymous random systematic checks of the effectiveness of Apple's ACL compliance and training program using practical scenarios of staff dealings in Apple stores and call centres; and
  - (d) *Improved reseller processes*: implementing improved returns processes for resellers to reduce barriers to the implementation of remedies conferred on consumers by law.
18. Apple wishes to further address the ACCC's concerns by voluntarily offering this Undertaking in accordance with section 87B of the Act.

## Commencement of undertaking

19. This Undertaking comes into effect on the later of:
- (a) the date on which:
    - (i) the Undertaking is executed by Apple; and
    - (ii) the ACCC accepts the Undertaking so executed; and
  - (b) 6 January 2014.
20. Upon the commencement of this Undertaking, Apple undertakes to assume the obligations set out in paragraphs 21 to 35 below.

## Undertakings

### *Continued implementation of voluntarily offered compliance measures*

21. Apple provides the undertakings at paragraphs 21 to 35 below for the purposes of section 87B of the Act.

### *Information for consumers about ACL rights*

22. Apple undertakes, for a period of 24 months, not to engage in conduct that gives rise to the representations about which the ACCC has raised concerns in paragraphs 11 and 12 of this Undertaking.
23. Apple undertakes that it will, for a period of at least 24 months, continue to:
- (a) maintain a dedicated Consumer Rights Webpage on its website, in substantially the same form as set out in **Annexure B** and including the information specified in **Annexure A**, and, within 14 days after the commencement of this Undertaking, provide access to the Consumer Rights Webpage via

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<http://www.apple.com/au/support> with a direct link to the specific URL.  
(<http://www.apple.com/au/legal/statutory-warranty/>);

- (b) cause the ACL Interactive Voice Response to be played to consumers who telephone the Apple Call Centre and select "technical support"; and
- (c) make available in its retail stores in Australia copies of the "Repair, Replace, Refund" brochure for so long as it is published by the ACCC within this period and substantially in the form of **Annexure C**.

## *Remedies for faulty products*

24. Apple undertakes that it will, for a period of at least 24 months, include the following statement on the Consumer Rights Webpage in the form set out in **Annexure B**:

*"Without limiting consumers' rights, Apple will provide its own remedies equivalent to those remedies in the consumer guarantee provisions of the Australian Consumer Law at any time within 24 months of the date of purchase. For the avoidance of doubt, Apple acknowledges that the Australian Consumer Law may provide for remedies beyond 24 months for a number of its products."*

## *Compliance and training*

25. Apple undertakes that it will, for a period of at least 24 months, continue to implement its ACL Compliance Training Program and Empirical Data Verification which include the features set out in **Annexure A** and are designed to increase awareness of, and minimise the risk of Apple breaching, its obligations under sections 18 and 29(1)(m) of the ACL.
26. Apple undertakes that it will for a period of at least 24 months:
- (a) ensure that Apple staff referred to in paragraph 8(a) of **Annexure A** receive compulsory online training no less than annually for each relevant staff member;
  - (b) ensure that Apple staff referred to in paragraphs 8(c) and 8(e) of **Annexure A** receive face-to-face refresher training no less than annually for each relevant staff member;
  - (c) perform an Empirical Data Verification at least once every 6 months after the date of this Undertaking; and
  - (d) within 30 days after the conclusion of each Empirical Data Verification, assess the results of that Empirical Data Verification and tailor its periodic ACL compliance training to address any issues revealed in the results of the Empirical Data Verification, including where the results indicate that this is necessary, remedial training in any area that requires rectification of staff understanding or consumer dealings.
27. Apple undertakes that it will, within 60 days after the conclusion of each Empirical Data Verification, provide a report to the ACCC setting out the results of that Empirical Data Verification and any steps taken by Apple in response to that Empirical Data Verification, including updates to its ACL compliance training.

## *Consumer redress program*

28. Apple undertakes that it will, within 14 days after the commencement of this Undertaking, publish for a period of 90 days in a prominent place on the "Hardware Warranties" page of

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its website at <http://www.apple.com/legal/warranty/> (**Hardware Warranties Webpage**) the following notice:

*"If you believe that you have been denied a statutory right or remedy by Apple in the past in relation to a product sold to you by Apple or did not pursue a warranty claim because of representations made by Apple, please contact Apple by email at [insert email address], by phone on [insert number] or by post to [insert postal address] and your claim will be assessed by Apple."*

29. Apple undertakes that it will, within 60 days after the commencement of this Undertaking, contact consumers who:
  - (a) purchased a product from Apple more recently than 24 months before the commencement date of this Undertaking;
  - (b) subsequently contacted Apple to complain about a defect with that product which may entitle the consumer to a statutory remedy under the ACL;
  - (c) were not provided with a remedy by Apple which was satisfactory to them; and
  - (d) can be identified by Apple from its records and for whom Apple has contact details.
30. Apple undertakes that it will, for each consumer who contacts Apple or who is contacted by Apple within 90 days after the commencement of this Undertaking in relation to the redress communications referred to in paragraphs 28 and 29 above, reassess and resolve each of their complaints in accordance with their statutory consumer rights (**Consumer Redress Process**).
31. Apple undertakes that it will, within 150 days after the commencement of this Undertaking, cause a review of the Consumer Redress Process to take place by a suitably qualified, independent reviewer (**Consumer Redress Process Review**).
32. Apple will provide to the Consumer Redress Process reviewer all relevant sources of information in Apple's possession or control, including without limitation Apple's records of communications with customers who have responded to the consumer redress communications referred to in paragraphs 28 and 29 above.
33. Apple undertakes to set out the findings of the Consumer Redress Process Review in a report to be provided to the ACCC on a confidential basis (**Confidential Consumer Redress Process Review Report**), within 180 days of the commencement of this Undertaking which will set out the matters raised by consumers who contacted Apple in the Consumer Redress Process and the steps taken by Apple to resolve those complaints, including at a minimum, reporting on the following:
  - (a) the number of consumers who contacted Apple through the Consumer Redress Process;
  - (b) the number of consumers who are given redress;
  - (c) whether the consumer was given the particular redress that they requested;
  - (d) the number of consumers who: (1) were denied redress or (2) given redress in a different form to what they requested; and
  - (e) reasons why any such consumers were: (a) denied redress or (b) given redress in a different form to what they requested.

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34. Apple further undertakes that, following the provision of the Confidential Consumer Redress Process Review Report, it will, within 30 days of a request from the ACCC (or such other period as may be agreed), provide the ACCC with information concerning a particular matter or matters raised by a particular consumer or class of consumers who contacted Apple in the Consumer Redress Process.

#### *Other items*

35. Any undertaking by Apple to communicate or provide notice generally or to specific persons under this Undertaking in specific terms may be amended with written consent of the ACCC without the necessity for a formal amendment to this Undertaking where circumstances change such that the specific terms would be rendered inappropriate or inaccurate.

#### **Acknowledgments**

36. Apple acknowledges that:
- (a) this Undertaking in no way derogates from the rights and remedies available to any person arising from any conduct of concern described in this Undertaking;
  - (b) the ACCC will make this Undertaking publicly available including by publishing it on the ACCC's public register of s87B Undertakings on its website; and
  - (c) the ACCC will, from time to time, make public reference to the Undertaking including in news media statements and in ACCC publications.

#### **Executed by**

Apple Pty Limited (ACN 002 510 054) by its authorised officers pursuant to section 127(1) of the *Corporations Act 2001*.

  
.....  
Secretary/Director

  
.....  
Director

This.....16<sup>th</sup>.....day of.....Dec.....2013



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ACCEPTED BY THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION  
PURSUANT TO SECTION 87B OF THE *COMPETITION AND CONSUMER ACT 2010*.

  
.....

Rodney Graham Sims  
Chairman

This 17<sup>th</sup> day of December 2013

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## ANNEXURE A

### APPLE'S EXISTING ACL COMPLIANCE MEASURES

This Annexure A sets out the ACL compliance measures which Apple has voluntarily undertaken to date and undertakes to continue to implement.

#### Consumer education

1. Since 3 September 2012, Apple has published a dedicated webpage titled "Apple Products and Australian Consumer Law" which can be accessed by Australian consumers in the "Legal" section of its website at <http://www.apple.com/legal> by way of a link to the specific URL <http://www.apple.com/au/legal-statutory-warranty/> (**Consumer Rights Webpage**). A copy of the Consumer Rights Webpage, including the additional statement specified in paragraph 24 of this Undertaking, is at **Annexure B**.
2. Apple has published on the Consumer Rights Webpage:
  - (a) information to assist consumers understand the interaction between Part 5-4 of the ACL, Apple's limited manufacturer's warranty and any AppleCare Protection Plan, including:
    - (i) the remedies available to consumers;
    - (ii) the relevant claim periods; and
    - (iii) contact details for consumers wishing to make a claim;
  - (b) the prescribed wording contained in regulation 90(2) of the Competition and Consumer Regulations 2010 (Cth) (**Regulation 90 Wording**).
3. Apple has, since 23 June 2013, caused the following recording to be played to consumers who telephone the Apple Call Centre and select technical support (**ACL Interactive Voice Response**):

*"Apple's limited warranty is in addition to your consumer law rights. To learn more, visit [apple.com/legal](http://apple.com/legal) and see "consumer law rights information" under "hardware warranties"*.
4. Apple has, since November 2012, voluntarily made available in its retail stores in Australia the "Repair, Replace, Refund" brochure published by the ACCC, a copy of which is at **Annexure C**.
5. Apple undertook a comprehensive review of publicly available materials on its websites and in its terms and conditions following the introduction of the ACL to ensure that it prominently stated that contractual rights under Apple's express warranties are in addition to Australian consumers' statutory rights under the ACL to avoid any consumer confusion. In particular, Apple made a number of specific ACL customisations to standard product warranty documentation over and above the Regulation 90 Wording which included, for example, prominently stating upfront in:
  - (a) Apple's return policy that *"Importantly, the rights described in this policy are in addition to the statutory rights to which you may be entitled under the Australian Consumer Law and other applicable Australian consumer protection laws and regulations"*; and

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- (b) Apple's warranty documentation that "*For Australian consumers: The rights described in this warranty are in addition to the statutory rights to which you may be entitled under the Competition and Consumer Act 2010 and other applicable Australian consumer protection laws and regulations*".

## Additional consumer services

6. Apple has invested in a number of additional measures which are designed to provide a superior experience to Australian consumers who purchase Apple products. Apple provides these additional consumer services in addition to its express warranties and in addition to honouring its obligations under the ACL.
7. Apple's additional consumer services include:
- (a) Change of mind returns policy: Apple offers Australian consumer a full refund for eligible products purchased from an Apple Retail Store or the Apple Online Store which are returned within 14 days of purchase (with original packaging and proof of purchase). This policy provides customers with a right of return for a period of 14 days for all eligible products for any reason and is not limited to occurrences of product defect; and
- (b) Genius Bar: Apple has invested in a market-leading dedicated technical support service known as the "Genius Bar" which is available to all Australian consumers. An area in each Apple Retail Store throughout Australia is devoted to the Genius Bar which gives Australian consumers direct access to specialist Apple technicians who provide hands-on technical support and on-the-spot assessments where possible. The Genius Bar is available to all consumers with Apple manufactured products, including those purchased from third party resellers. This ensures that consumers of Apple products who are entitled to a remedy under the ACL or under Apple's express limited warranty are, in most cases, able to receive that remedy immediately over the counter without having to wait for the product to be sent away for assessment.
- (c) Individual product warranties published online: Apple publishes all of its express limited warranties applicable to each of its products on the "Hardware Warranties" section of its webpage accessed via [www.apple.com/legal](http://www.apple.com/legal), the same location from which the Consumer Rights Webpage is accessed. The links to the "Hardware Warranties" and "Consumer Rights" sections of the Apple webpage are located next to each other on the "Legal" section of the Apple webpage ([www.apple.com/legal](http://www.apple.com/legal)). A link to the Consumer Rights Webpage is also included on each page on which Apple publishes information about its express limited warranties in addition to a statement to the effect that the benefits conferred by Apple's express limited warranties are in addition to all rights and remedies conveyed by consumer protection laws and regulations.

## Apple training

8. Apple has established and deployed a comprehensive ACL compliance training program which includes the following elements:
- (a) compulsory online training for Apple call centre staff, Apple Genius staff and Apple Retail Store management staff;
- (b) compulsory online training for all staff of new Apple Retail Stores which open from time to time;

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- (c) periodic face-to-face refresher training for Apple sales staff;
- (d) face-to-face training every 6 months for Apple Retail Store management staff; and
- (e) periodic face-to-face refresher training for staff in Apple's Reseller Operations Team who are responsible for communication with carriers and third party resellers in relation to warranty and other product returns.

## (ACL Compliance Training Program).

9. Apple has reviewed and updated its numerous policies, instructions and standard operating procedures for Apple staff dealing with Australian consumers (including Apple's retail sales, Genius Bar and call centre staff) to:
- (a) provide further guidance for staff responding to consumers with Apple supplied products which are asserted to be, amongst other things, faulty and/or not of acceptable quality;
  - (b) clearly set out the rights and remedies which consumers have under the ACL;
  - (c) make it clear that Apple's service obligation does not end at the expiration of Apple's limited manufacturer's warranty; and
  - (d) establish clear escalation paths for staff who require further information or assistance to resolve consumer enquiries.

## Empirical Data Verification

10. Apple has developed an empirical data verification process to facilitate random systematic checks of the effectiveness of Apple's ACL compliance and training program (**Empirical Data Verification**).
11. The Empirical Data Verification process is designed to specifically test and monitor representations made by Apple representatives about consumers' statutory rights and remedies under the ACL in circumstances where goods or services supplied by Apple do not meet the consumer guarantees.
12. The Empirical Data Verification occurs periodically and includes:
- (a) anonymous, random visits to Apple Retail Stores and calls to Apple's phone support line simulating product problems;
  - (b) inquiries of Apple staff during those visits and calls in relation to Apple supplied products to test:
    - (i) what remedies are available;
    - (ii) whether there is a choice of remedies if the consumer is unhappy with the remedy offered;
    - (iii) the interaction between voluntary Apple warranties and the ACL;
    - (iv) how long it would take to receive a remedy;
    - (v) what process must be undertaken to obtain a remedy;

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- (vi) what proof of purchase is required; and
- (vii) whether the consumer is entitled to take the product elsewhere for repair and be compensated by Apple.

## Reseller engagement

13. Apple has explicitly reminded its resellers in bulletins issued to reseller staff of their obligations as supplier under the ACL.
14. In Apple staff's interactions with reseller representatives concerning customer claims, ensured that resellers are aware and confer the remedies upon consumers as required by the ACL where resellers contact Apple staff to discuss those matters.
15. Apple has introduced improved product returns systems which ensure that the returns system does not give rise, in practice, to a barrier to resellers observing their obligations under the ACL through an inability in practice to return products to Apple.
16. Improved the IT system used by Apple authorised service providers to improve processing of consumer claims consistent with the improved product returns system implemented by Apple.

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ANNEXURE B  
APPLE CONSUMER RIGHTS WEBPAGE

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## Apple Products and Australian Consumer Law

Our products are covered under the Australian Consumer Law. In many Australian consumer law cases, you are entitled to a full refund, replacement and/or a new or repaired unit and compensation for any other loss, including loss of data and time. You are also entitled to have your goods repaired or replaced if they do not meet an acceptable quality and the failure does not amount to a major failure.

When you purchase Apple hardware products, you will also receive coverage from the Apple One-Year Limited Warranty. You can also obtain additional benefits by purchasing the optional AppleCare Protection Plan.

Should your product be defective, you can choose to make a claim under Australian consumer law, the Apple One-Year Limited Warranty or the optional AppleCare Protection Plan (whichever is applicable).

Non-Apple branded products purchased from Apple are also eligible for coverage under Australian consumer Law, but are not covered by the Apple One-Year Limited Warranty or the AppleCare Protection Plan.

### Summary of Australian consumer law, the Apple One-Year Limited Warranty and the AppleCare Protection Plan

	Australian consumer law	Apple One-Year Limited Warranty	AppleCare Protection Plan
Repair or replacement coverage for	Defects present when or after customer takes delivery	Defects arising after customer takes delivery	Defects arising after customer takes delivery
Claim period	A reasonable period from date of delivery until the failure becomes apparent.  Without limiting consumers' rights, Apple will provide its own remedies equivalent to those remedies in the Australian Consumer Law at any time within 24 months of the date of purchase. For the avoidance of doubt, Apple acknowledges that the Australian Consumer Law may provide for remedies beyond 24 months for a number of its products.	One year from date of purchase	Three years from date of purchase for Mac or Apple Display Two years from date of purchase for Apple TV, iPad, iPhone or iPod
Cost of coverage	Provided at no additional cost	Included at no additional cost	Available for additional cost
Who to contact to make a claim	The seller	Apple telephone technical support <sup>1</sup> , Apple Retail Store or Apple Authorised Service Provider	Apple telephone technical support <sup>1</sup> , Apple Retail Store or Apple Authorised Service Provider
Included repair or replacement options	Contact the seller for details	Carry-in or mail-in service <sup>2</sup>	Carry-in or mail-in service; express replacement service for iPad and iPhone; or onsite service for desktops
Overseas repair or replacement	Contact the seller for details	Yes <sup>3</sup>	Yes <sup>3</sup>
Telephone technical support	None	90 days from date of purchase	Three years from date of purchase for Mac or Apple Display Two years from date of purchase for Apple TV, iPad, iPhone or iPod

The above summary is subject to the full terms and conditions applicable to the Apple One-Year Limited Warranty and AppleCare Protection Plan. Copies of those respective terms and conditions are available at <http://www.apple.com/legal/warranty/> and <http://www.apple.com/legal/applecare/>.

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\*This page has been prepared by Apple and its contents are not endorsed by any third party.

1. Apple telephone technical support: 133-622
2. Availability of each option depends on the country in which service is requested and the location of an Apple Authorised Service Provider. Apple may also request that the customer replace components with readily installable parts.
3. Apple may restrict service to the country where Apple or its authorised distributors originally sold the Apple product.

Apple Pty Ltd.  
PO Box A2629, South Sydney NSW 1235, Australia.

## Summary of Australian statutory consumer guarantees

Your consumer guarantee rights under Australian consumer law operate alongside, and in addition to, your rights under the Apple One-Year Limited Warranty and the optional AppleCare Protection Plan

### Consumer guarantees in relation to goods

- The goods will be of acceptable quality.
- The goods will be fit for a particular purpose
- The goods will match their description.
- The goods will match the sample or demonstration model.
- You have title to the goods.
- You have undisturbed possession of the goods.
- There are no undisclosed securities on the goods.

### Consumer guarantees in relation to services

- We will provide the services with due care and skill.
- The services will be fit for a particular purpose.
- The services will be provided within a reasonable time.

For Apple-branded goods, in addition to the above, we also guarantee that we will provide repairs or spare parts for a reasonable time and that we will honour our Apple One-Year Limited Warranty and, where applicable, the AppleCare Protection Plan.

Under Australian consumer law, the remedy you are entitled to if a product fails to meet a consumer guarantee will depend on whether the failure to comply with the guarantee is major or minor.

Minor failures to comply with a consumer guarantee can normally be fixed or resolved in a reasonable amount of time. In this case, the seller can choose to offer you a refund, replacement, repair or, in the case of services, resupply. If the seller does not fix the problem or takes too long, you may be able to get it fixed by someone else and recover the costs from the seller depending on the circumstances.

Major failures to comply with a consumer guarantee cannot normally be fixed or resolved easily. In this case, you can choose one of the remedies set out below:

### Remedies for major failure with goods

- Return the product and ask for a refund.
- Return the product and ask for an identical replacement, or one of similar value if reasonably available.
- Keep the product and ask for compensation for the drop in value caused by the problem.

### Remedies for major failure with services

- Cancel the contract and pay a reasonable amount for the work done, or seek a refund.
- For money already paid, keep the contract and negotiate a reduced price for the drop in value of the service — this may mean asking for some of your money back if you have already paid.

For goods, there is a major failure to comply with a consumer guarantee when:

- You would not have purchased the product if you had known about the problem.
- The product is significantly different from the description, sample or demonstration model you were shown.
- The product is substantially unfit for its normal purpose and cannot easily be made fit within a reasonable time.
- The product is substantially unfit for a purpose that you told the supplier about, and cannot easily be made fit within a reasonable time.
- The product is unsafe.

For services, there is a major failure to comply with a consumer guarantee when:

- You would not have engaged the service if you had known the nature and extent of the problem.
- The service does not meet the reasonable expectations for that type of service, and the problem cannot be rectified within a reasonable time.
- You told the supplier that you wanted the service for a specific purpose, which was not fulfilled, and the problem could not be easily rectified within a reasonable time.



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- You told the supplier that you wanted a specific result, yet the service and end result failed to meet your specifications and could not be easily rectified within a reasonable time.
- The supply of the service has created an unsafe situation.

For information on Australian consumer laws, please visit Australian consumer law website at <http://www.consumerlaw.gov.au>.

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## ANNEXURE C

### REPAIR, REPLACE, REFUND BROCHURE

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**Repair.  
Replace.  
Refund.**

**If it's not right, use your rights.**

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## Bought something that isn't right?

Since 1 January 2011, you have the right to ask for a repair, replacement or refund.

You can use your rights for:

- things you buy in shops or online
- things you hire
- services you pay for.

And you can use your rights even if the product or service has:

- a voluntary warranty offered by the supplier
- an extended warranty you've bought
- a voluntary or extended warranty that has expired.

## What happens when I ask for a repair, replacement or refund?

The business may:

- ask you for proof of purchase such as a receipt or bank statement
- discuss with you whether the problem is major or not.

If it's a major problem you will be able to choose a refund, repair or replacement (or compensation in the case of services).

If it's not a major problem the business will be able to choose whether they will repair, replace or refund the product, or fix the problem with the service.

## What is a major problem?

An issue that would have stopped someone from buying the product or service if they'd known about it.

A product that:

- is unsafe
- is significantly different from the sample or description
- doesn't do what the business said it would, or what you asked for and can't be easily fixed.

A service that:

- is substantially unfit for its common purpose and can't be easily fixed within a reasonable time
- does not meet the specific purpose you asked for and cannot be easily rectified within a reasonable time
- creates an unsafe situation.

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You will also be able to choose a refund or replacement (or compensation in the case of services), where a business can't:

- repair the product or fix the problem with the service
- repair the product or fix the problem with the service within a reasonable time.

It's illegal for businesses to tell you, or show signs, that they don't give refunds under any circumstances. If a business does this you can report them to your local consumer protection agency or the ACCC.

## When should I ask for a repair, replacement or refund?

There are eight simple rules you can use to find out when it is time to use your rights.

### Rule 1. Acceptable quality.

All goods must be of an acceptable quality.

This means they are:

- safe
- lasting
- have no faults
- look acceptable, and
- do all the things someone would normally expect them to do.

For example, you've had your kettle for just one month and it doesn't work anymore. Time to use your rights.

#### Exceptions to the rule

You can't ask the business for a repair, replacement or refund if you have:

- caused the problem by being careless or misusing the product
- haven't followed the instructions.

### Rule 2. Goods must fit the purpose.

The goods must fit the purpose you discussed with the business before buying, or the purpose for which the goods were normally supplied.

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For example: Your heavy tool belt breaks unexpectedly with only a few things in it. The salesperson said it could hold 10 kilos, but it couldn't even hold five. Time to use your rights.

## **Rule 3. Goods must match the description.**

Any description of the goods given by the business or written on packaging or labels must be accurate.

For example: The shirt you ordered online arrives in the wrong colour. You ordered a red shirt, but they sent you a blue one. Time to use your rights.

## **Rule 4. Goods must match any sample or demonstration model.**

If you see a sample on display, or you have a trial run or demonstration and ask to buy the same product, what you get must match the sample or demonstration.

For example: Your bike doesn't match the demo model. It only has two speeds and you asked for the four-speed model. Time to use your rights.

## **Rule 5. Businesses must meet any extra promises they make.**

Extra promises businesses make about the condition and quality of goods or the way they work are called 'express warranties'. If businesses make any extra promises, they must make sure that you get them all.

For example: A salesperson tells you that the trolley you are buying is made of steel and can carry any amount of weight. But when you are moving house, the trolley breaks under the pressure of all the boxes.

You were told this trolley was strong enough for any load. Time to use your rights.

## **Rule 6. Services must have an acceptable level of care and skill.**

Businesses must provide services with an acceptable level of care and quality.

For example: You ask a painter to paint your fence white. You come home to find that your fence is painted pink and it is blotchy and uneven. You said you wanted white and expected an even, clean finish. Use your rights. Ask the painter to fix the problem.

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## **Rule 7. Services you asked for should fit the purpose or give the results you and the business agreed to.**

For example: You ask a handyman to build you a dog kennel that is two metres wide and one metre high. Instead, you end up with a kennel only big enough to fit a cat, rather than your dog. Use your rights. Ask the handyman to fix the problem.

## **Rule 8. You should receive services in a reasonable time.**

Service contracts usually state a date when you will get the service, or in the case of longer term contracts, a finish date. If your agreement doesn't state this, the supplier must deliver the service in a reasonable time.

For example: A roof repairer started to repair your leaking roof over a fortnight ago. Then, a couple of days later he disappeared, leaving the job unfinished, with the roof still leaking. It's been two weeks since you last saw the roof repairer. He said he'd fix the roof, but it's still leaking. It's time to use your rights.

## **Checklist for when to use your rights.**

- Is the quality of the goods unacceptable?
- Are the goods unfit for the purpose discussed?
- Do the goods fail to match the description you got before buying?
- Do your goods fail to match a sample or demonstration model?
- Did the business fail to fulfil all their extra promises of quality and performance?
- Did the service provider fail to use reasonable care and skill?
- Did the service provider fail to do what you asked them to do?
- Was the service delivered in an unreasonable time?

If you answered 'Yes' to any of these questions, it's time to use your rights.

## **Checklist for when your rights don't apply.**

- Did you misuse the product in any way that caused the problem?
- Did you get the product or service you asked for, but have since changed your mind?

If you answered 'Yes' to either of these questions, then you don't have the right to ask for a repair, replacement or refund.

Some businesses offer exchanges or refunds if customers change their minds, but this isn't the law. You can't expect all businesses to do this.

## Steps for using your rights.

1. Go back to or contact the business.
2. Explain the problem clearly and state that you want them to fix the problem.
3. If the business refuses to fix your problem, ask to speak to the manager or write a complaint letter.
4. If the business still refuses to help, contact your local consumer protection agency or the ACCC.

Want more information? Get the full story at:  
[australia.gov.au/consumerrights](http://australia.gov.au/consumerrights)

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