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**Australian
Competition &
Consumer
Commission**

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21 January 2014

Mr Robert Brown
Senior Legal Counsel
Level 13, Capital Centre
255-259 Pitt Street
SYDNEY NSW 2000

By email: Mr Robert Brown[rwbrown@apple.com]

Dear Mr Brown

Apple Pty Limited – Section 87B undertaking

I refer to the section 87B undertaking given by Apple Pty Limited (**Apple**) and accepted by the Australian Competition and Consumer Commission (**ACCC**) on 16 December 2013 (**Undertaking**).

Obligations

The attached table sets out some of the key obligations arising from both the 'Compliance and training' (paragraphs 25-27) and 'Consumer redress program' (paragraphs 28-34) elements of the Undertaking and is provided for your convenience. It is important that Apple creates and maintains supportable verification of compliance with its obligations, such as signed and dated written records. It is the ACCC's view that these types of documents form part of the compliance program. The ACCC may request Apple to verify its compliance with its Undertaking and these types of materials may assist Apple in that process.

You should note that if Apple does not fulfil the obligations required by the Undertaking it risks breaching the Undertaking.

Guidance

When engaging a compliance professional or legal practitioner in relation to the Undertaking it is important to check their qualifications against any specific requirements of the Undertaking. As an independent statutory authority, the ACCC cannot assist in finding a service provider.

Contacting the ACCC

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The Compliance Monitoring Unit of the ACCC will be monitoring and assessing Apple's compliance with the on-going obligations pursuant to the Undertaking. Accordingly, all future correspondence with the ACCC in relation to the Undertaking should now be sent by email to **compliancemonitoring@acc.gov.au**. Any material you are unable to send electronically may be sent by post to:

Compliance Monitoring Unit
Australian Competition and Consumer Commission
GPO Box 520
MELBOURNE VIC 3001

If you have any questions in relation to this letter please send an email to **compliancemonitoring@acc.gov.au** or contact myself on (03) 9290 1876.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Russell Johnston', written over a faint circular stamp or watermark.

Russell Johnston
Project Officer
Compliance Monitoring Unit
Compliance Strategies Branch

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Table of obligations of the Undertaking

Latest Due Date*	Action Required*	Annexure C Reference
17 February 2014	<p>Apple to contact consumers who:</p> <ul style="list-style-type: none"> (a) purchased a product from Apple more recently than 24 months before the commencement date of the Undertaking (16 December 2013); (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 	Paragraph 29
19 March 2014	For those consumers who contact, or are contacted by, Apple in relation to the redress communications referred to in paragraphs 28 and 29 of the undertaking, Apple is to reassess and resolve each of their complaints in accordance with their statutory consumer rights (Consumer Redress Process)	Paragraph 30
16 May 2014	Apple to cause a review of the Consumer Redress Process to take place by a suitably qualified, independent reviewer (Consumer Redress Process Review)	Paragraph 31
15 June 2014	Apple to set out the findings of the Consumer Redress Process Review in a report and provide it to the ACCC on a confidential basis (Confidential Consumer Redress Process Review)	Paragraph 33
16 June 2014	Apple to perform first biannual Empirical Data Verification	Paragraph 26(c)
16 July 2014	Apple to assess the results of the first Empirical Data Verification and tailor its periodic ACL compliance training to address any issues revealed in the results of the Empirical Data Verification	Paragraph 26(d)
15 August 2014	Apple to provide a report to the ACCC setting out the results of the first Empirical Data Verification and any steps taken by Apple in response to that Empirical Data Verification, including updates to its ACL compliance training	Paragraph 27

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Latest Due Date*	Action Required*	Annexure C Reference
16 December 2014	Apple to ensure that all call centre staff, Apple Genius staff and Apple Retail Store management staff receive compulsory online training no less than annually for each relevant staff member – 1 st annual training	Paragraph 26(a)
16 December 2014	Apple to ensure that Apple sales staff and staff in Apple's Reseller Operations Team who are responsible for communications with carriers and third party resellers in relation to warranty and other product returns receive refresher training no less than annually for each relevant staff member – 1 st refresher training	Paragraph 26(b)
16 December 2014	Apple to perform second biannual Empirical Data Verification	Paragraph 26(c)
16 January 2015	Apple to assess the results of the second Empirical Data Verification and tailor its periodic ACL compliance training to address any issues revealed in the results of the Empirical Data Verification	Paragraph 26(d)
14 February 2015	Apple to provide a report to the ACCC setting out the results of the first Empirical Data Verification and any steps taken by Apple in response to that Empirical Data Verification, including updates to its ACL compliance training	Paragraph 27
16 June 2015	Apple to perform third biannual Empirical Data Verification	Paragraph 26(c)
16 July 2015	Apple to assess the results of the third Empirical Data Verification and tailor its periodic ACL compliance training to address any issues revealed in the results of the Empirical Data Verification	Paragraph 26(d)
15 August 2015	Apple to provide a report to the ACCC setting out the results of the first Empirical Data Verification and any steps taken by Apple in response to that Empirical Data Verification, including updates to its ACL compliance training	Paragraph 27
16 December 2015	Apple to ensure that all call centre staff, Apple Genius staff and Apple Retail Store management staff receive compulsory online training no less than annually for each relevant staff member – 2 nd annual training	Paragraph 26(a)

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Latest Due Date*	Action Required*	Annexure C Reference
16 December 2015	Apple to ensure that Apple sales staff and staff in Apple's Reseller Operations Team who are responsible for communications with carriers and third party resellers in relation to warranty and other product returns receive refresher training no less than annually for each relevant staff member – 2 nd refresher training	Paragraph 26(b)
16 December 2015	Apple to perform forth biannual Empirical Data Verification	Paragraph 26(c)
16 January 2016	Apple to assess the results of the forth Empirical Data Verification and tailor its periodic ACL compliance training to address any issues revealed in the results of the Empirical Data Verification	Paragraph 26(d)
14 February 2016	Apple to provide a report to the ACCC setting out the results of the first Empirical Data Verification and any steps taken by Apple in response to that Empirical Data Verification, including updates to its ACL compliance training	Paragraph 27

* Actual due dates and obligations are specified in the Undertaking and may be due earlier than the date shown (eg. if the due date is a specified period after completion of another obligation).