



Warranty Terms & Conditions

ISSUED OCTOBER 2018 – VALID UNTIL FURTHER NOTICE

PRECIOSA

Warranty Terms and Conditions

PREAMBLE AND TERMS DEFINITION

In these *Warranty Terms and Conditions*:

Producer: means PRECIOSA, a.s., a company with its registered seat in the Czech Republic;

Merchandise: means *Producer*'s merchandise, specifically pearls and fashion jewellery stones from glass, sets of bijouterie, products from cubic zirconia and other synthetic or natural materials and large stones from glass (pendants)

Seller: means vendor who supplied the *Merchandise* to the *Client*, either the *Producer* itself or the company belonging with the *Producer* in the same group with property ties (among others Preciosa International (H.K.) Limited with its registered seat in Hong Kong, Preciosa Gulf FZCO with its registered seat in the UAE and PRECIOSA CENTR, A. O. with its registered seat in Russia);

Client: means buyer who bought the *Merchandise* from the *Seller*;

GT&Cs: mean *Seller*'s General Terms and Conditions;

Qualitative Defect: means a case when supplied *Merchandise* does not fit the *Producer*'s description provided in the *Producer*'s catalogue or user's guide published by the *Producer* or a case when during manufacture, the *Producer* used unsuitable or low-quality material that prevents the use of the *Merchandise* in the manner specified by the *Producer*. However, a *Qualitative Defect* is not a minor deviation from product specification of the size, shape or shades of colour of the *Merchandise* that complies with the standards and that is generally accepted in the mass production;

Quantitative Defect: means a case when the quantity of supplied *Merchandise* is in contravention of the accompanying documentation or when the delivered *Merchandise* differs from the *Merchandise* stated in the accompanying documentation;

Warranty Terms and Conditions: mean these warranty terms and conditions;

Complaint: means exercising the rights of the *Client* to the *Seller*'s liability for a *Qualitative Defect* of the *Merchandise* or for a *Quantitative Defect* of the *Merchandise* in the delivery;

Period for processing: means 30 calendar day period, starting from the day of the *Client*'s proper *Complaint* submitted to the *Seller*. In exceptional cases when processing of the *Complaint* requires external assessment, this period may be prolonged by up to 90 days from the day the *Client* properly lodged the *Complaint* with the *Seller*.

The *Warranty Terms and Conditions* specify a procedure for the *Client* and the *Seller* for a situation when despite all efforts of the *Seller* and the *Producer* to maintain high quality of the offered *Merchandise* and completeness of the delivery of the *Merchandise*, the *Client* has a legitimate reason to exercise the rights to the *Seller*'s liability for a *Qualitative Defect* of the *Merchandise* or for a *Quantitative Defect* of the *Merchandise* in the delivery.



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Article I

GENERAL PROVISIONS

1. The *Warranty Terms and Conditions* are an integral part of the currently valid *GT&Cs*, with it understood that regarding the *Merchandise* under the *Complaint* this document states the rights and obligations of the *Client* and the *Seller*. This document further expands on the principles and procedures the *Seller* will follow when handling the *Complaint*. The terms stated in the *Warranty Terms and Conditions* take in the *Merchandise Complaint* precedence over the terms in *GT&Cs*.
2. By entering into a purchase contract and accepting the *Merchandise* from the *Seller*, the *Client* agrees with the *Warranty Terms and Conditions*.
3. When choosing the *Merchandise*, the *Client* must pay attention to the sort and the size of the *Merchandise* so that the *Client* meets his/her exact needs. The *Client* shall bear in mind particularly the purpose of the use of the *Merchandise* and shall choose the *Merchandise* accordingly. Only when the *Client* chooses the *Merchandise* with respect to its function, assortment and size can one anticipate fulfilment of utility value and the intended purpose of the *Merchandise*.

Article II

BASIC TERMS OF THE COMPLAINT

4. After the delivery of the *Merchandise*, should the *Client* discover a *Qualitative* or *Quantitative Defect*, the *Client* shall have the right to lodge a *Complaint*.
5. The *Complaint* cannot be lodged if after receiving the *Merchandise* by the *Client*:
 - a) The *Merchandise* was damaged during further transport;
 - b) The *Merchandise* was damaged due to an inappropriate manner of processing, unprofessional installation or manipulation or manipulation contrary to the user's guide published by the *Producer*;
 - c) The *Merchandise* was stored or used in conditions that do not fit the specifications and requirements stated in the user's guide published by the *Producer*.
 - d) The *Merchandise* was damaged due to the exposure to external influences such as chemical substances, water or other elements or it was damaged mechanically;
 - e) The *Merchandise* was damaged by imposing excessive burden or use contrary to the terms stated in the user's guide published by the *Producer*;

Article III

PLACE AND MANNER OF LODGING A COMPLAINT

1. The *Client* may only lodge his/her *Complaint* with the *Seller*
2. The *Client* may lodge his/her *Complaint* either personally, in written form (via e-mail, fax or letter) or by phone.
3. In order for the *Complaint* to be properly lodged, the *Client* shall present documents to the *Seller* regarding the business transaction to which the *Complaint* is related (see Article III., paragraph 4 of The *Warranty Terms and Conditions*). Besides that, for proper verifying of the legitimacy of the *Complaint*, the *Client* shall provide the *Seller* with necessary information to the extent of Article III, Paragraph 5 of the *Warranty Terms and Conditions* and with all *Merchandise* under the *Complaint* according to Article III, Paragraph 6 of the *Warranty Terms and Conditions*. The *Client* shall pay all costs resulting from lodging the *Complaint*, including the costs for delivering the *Merchandise* under the *Complaint* to the *Seller*.



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4. Documents related to the business transaction:

- a) If the *Client* presents complete documentation, that is if:
 - i. in the case of a *Complaint* regarding a *Qualitative Defect*, the *Client* presents the purchase document for the *Merchandise* under *Complaint* or he/she proves by any other credible manner that the *Merchandise* was bought from the *Seller* and at the same time provides the *Seller* with all necessary information and all the *Merchandise* under *Complaint* in the entire quantity under the *Complaint* for a professional assessment or,
 - ii. in the case of a *Complaint* regarding a *Quantitative Defect*, the *Client* proves credibly that the *Merchandise* was either missing in the delivery or was replaced.

The *Seller* shall proceed to handle the *Complaint* immediately, without any delay. Packing the *Merchandise* under *Complaint* into its original primary packaging (envelope, box) will help prove the evidential force of the *Complaint* as well as speed up the handling of the *Complaint* significantly. Alternatively, the *Client* may present a photocopy of the original package. In that case, the *Period* for processing can be expected to be significantly shorter.

- a) If the *Client* presents incomplete documentation, that is if:
 - i. in the case of a *Complaint* regarding a *Qualitative Defect*, the *Client* presents only the *Merchandise* under *Complaint* without any documentation (proof) of purchase of the *Merchandise* under *Complaint* from the *Seller* or if the *Client* presents only documentation (proof) of purchase of the *Merchandise* under *Complaint* from the *Seller* without presenting the *Merchandise* under the *Complaint* in the entire quantity under the *Complaint* or if the *Client* does not provide all necessary information, or
 - ii. in the case of a *Complaint* regarding a *Quantitative Defect*, the *Client* does not credibly demonstrate to the *Seller* that the *Merchandise* was either missing or was replaced.
 - the *Complaint* will not be properly lodged and the *Seller* is entitled, based on his/her choice, either to proceed with the *Complaint*, as if it was properly lodged, or to ask the *Client* to present the missing documentation, necessary information or the *Merchandise* under the *Complaint*, or acting through his representatives, he can verify the legitimacy of the *Complaint*. Should the *Seller* ask the *Client* to present missing documentation, necessary information or *Merchandise* under the *Complaint* and the *Client* fails to do so within a reasonable period, or should the *Seller* verify the legitimacy of the *Complaint* on the spot and finds out that the *Complaint* is unjustified, the *Seller* shall be entitled to dismiss the *Complaint*
- c) If the *Client* does not present any documentation, the *Seller* will dismiss the *Complaint* as unjustified.

In that case, the unjustified *Complaint* shall be considered only a grievance that may serve the *Seller* as a valuable source of information for service improvement.



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5. In all cases the *Client* must provide the *Seller* with the following information necessary for proper verification of a justified *Complaint*:
 - a) Description of the *Merchandise* under the *Complaint* – assortment, size, refinement;
 - b) Reason for the *Complaint* and description of the defect;
 - c) Basic information about the manner of the processing of the *Merchandise* – what environment was the *Merchandise* exposed to during the processing (washing or plating bath), kind of used glue, soldering of fashion jewellery stones, technique of ironing on (temperature, time, kind of material) the HF products;
 - d) The manner of storing and manipulation with the *Merchandise*;
 - e) The quantity of *Merchandise* under the *Complaint* (in case there are only defective items under the *Complaint*, the *Client* must verifiably provide the total figure out of which the items were selected).

The *Client* shall fill the above given information in a complaint form which is enclosed to these *Warranty Terms and Conditions*. At the same time, he suggests his required way of settling the *Complaint* in the complaint form (*Merchandise* repair, *Merchandise* replacement, purchase price refunding, purchase price discount, delivery of the missing *Merchandise*).

6. In all cases, the *Client* must provide the *Seller* with all the *Merchandise* under the *Complaint* in the entire quantity under the *Complaint* in the following form:
 - a) Products with applied stones
 - b) Used loose stones
 - c) Unused loose stones

The quantity of *Merchandise* under the *Complaint* must be identical with the quantity of stones provided by the *Client* to the *Seller* for assessment.

If the *Client* fails to present necessary information or all the *Merchandise* under the *Complaint* the *Seller* shall be entitled to dismiss the *Complaint*.

Article IV

PERIODS TO LODGE AND HANDLE A COMPLAINT

1. The *Client* is obliged to carefully examine the *Merchandise* right after its delivery, to see whether or not it has obvious *Qualitative* or *Quantitative Defects*.
2. All *Complaints* for obvious *Qualitative* or *Quantitative Defects* must be lodged at the *Seller* within 14 days starting the day of delivery of the *Merchandise* at the latest. *Complaints* lodged after 14 days from the day of delivery might be dismissed.

The warranty period for latent *Qualitative Defects* is 12 months starting the day of the delivery of the *Merchandise* unless the local law provides otherwise. The *Complaint* of latent *Qualitative Defects* must be lodged without unnecessary delay after the latent defect is discovered, at the latest by the end of the warranty period. The *Complaint* of latent *Qualitative Defects* lodged after the expired warranty period might be dismissed by the *Seller*.

3. If the *Client* requests, the *Seller* is obliged to give him/her a document stating the date the *Client* lodged the *Complaint*.
4. A *Complaint* lodged properly and on time will be handled within the *Period* for processing. The *Seller* will either remove the defects within the *Period* for processing following the procedure in Article V of



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the *Warranty Terms and Conditions* or the *Seller* will properly explain to the *Client* that he does not consider the *Complaint* justified and so he will dismiss it.

Article V

REMOVING DEFECTS

1. If the *Complaint* is lodged properly and on time and if the *Seller* accepts the *Complaint* as justified, he must remove the defects.
2. In the case of a *Quantitative Defect*, the *Seller* shall remove the defect (in case of missing *Merchandise*) by delivering the missing *Merchandise* or refunding the purchase price of the undelivered *Merchandise* to the *Client* (if it has already been paid) and issuing a credit note for the issued invoice or (in case of replaced *Merchandise*) he will replace the mixed up *Merchandise* with the *Merchandise* stated in the accompanying documentation.
3. In the case of a *Qualitative Defect*, the *Seller* shall remove the defect by one the following ways:
 - a) If the defect may be removed by a repair without damaging the visual aspect, function or quality of the *Merchandise*, the *Seller* will remove this eliminable defect and deliver the fixed *Merchandise* to the *Client*;
 - b) The *Seller* shall remove the defect by replacing the defective *Merchandise* with *Merchandise* without defects (under the condition of returning the defective *Merchandise* unless the *Seller* decides otherwise);
 - c) The *Seller* shall pay back the purchase price to the *Client* for the returned defective *Merchandise* (if it has already been paid) and shall issue a credit note for the issued invoice;
 - d) The *Seller* shall provide the *Client* with a reasonable discount on the purchase price and shall issue a credit note for the issued invoice;

The *Seller* is entitled to choose among the above options for handling the *Complaint*. The *Seller* shall inform the *Client* about the selected option at the latest within 15 days from the day of the lodging of the *Complaint* by the *Client*.

Article VI

PROVISIONS

The *Warranty Terms and Conditions* are valid and effective as of 1 April 2015 and are issued for an indefinite duration. The *Warranty Terms and Conditions* may be amended by the *Seller* from time to time. The *Merchandise Complaint* follows the wording of the *Warranty Terms and Conditions* effective at the moment of entering into the purchase contract between the *Seller* and the *Client* regarding the *Merchandise* under the *Complaint*.

Enclosure to the *Warranty Terms and Conditions* (The Complaint Form):

Preciosa Complaint Form:

