Warranty Terms and Conditions

Issued APRIL 2015 – valid until further notice
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.
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

1. 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.

2. 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.

4. Documents related to the business transaction:

4.1 If the Client presents complete documentation, that is if

   a) 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

   b) 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.

4.2 If the Client presents incomplete documentation, that is if:

   a) 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

   b) 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.

4.3 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.
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 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