

Zip Heaters (Aust) Pty Ltd

RETURNS & DAMAGE ALLOWANCE TERMS & CONDITIONS Effective on and from 1 October 2019

1. APPLICABILITY

- 1.1 These conditions govern the process through which Zip Industries (Aust) Pty Ltd (ACN 000 072 257) or Zip Heaters (Aust) Pty Ltd (ACN 000 578 727) (**Zip**), or any Related Body Corporate to any of those companies as defined by the Corporations Act will:
- (a) accept Return(s) from a Buyer; or
 - (b) offer any form of Damage Allowance to a Buyer.
- 1.2 To the extent permitted by law, these conditions prevail over all express and implied terms and conditions in relation to the subject matter of these terms and conditions that have been previously communicated between Zip Heaters (Aust) Pty Ltd (**Zip**) and any of its wholesale customers (**Buyer**) in writing or orally, whether in an order, letter, tender document, in discussions or otherwise. This clause does not affect any rights the Buyer may have under the *Competition and Consumer Act 2010 (Cth)* or any other law if, and only to the extent that, those rights may not be lawfully excluded or modified under these conditions.
- 1.3 No person acting or purporting to act on behalf of Zip shall have authority to waive or change these conditions orally. Waivers or changes shall have effect only if made in writing and signed by a duly authorised officer of Zip.
- 1.4 The rights of the Buyer may only be assigned with the express written consent of Zip.
- 1.5 Zip and the Buyer acknowledge that these terms and conditions do not replace or infringe upon the rights of either the Buyer or Zip under the terms of sale as expressed in any Zip invoice or terms of a credit facility the Buyer may have with Zip.
- 1.6 These conditions do not apply to return of product for fault or defect under the manufacturer's warranty documents or the Australian Consumer Law. Please refer to the Zip Heaters (Aust) Pty Ltd (**Zip**) Defective Returns Policy for further information regarding defective returns.

2. RETURNS

- 2.1 If a Buyer wishes to return any Zip product(s) for any reason other than for fault or defect under the manufacturer's warranty documents or the Australian Consumer Law, the Buyer must make a request within two (2) days of the date of the Proof Of Delivery (**POD**) form given to the Buyer by Zip's nominated carrier for Zip to return the Zip Product(s) to Zip together with the following information:
- (a) the relevant invoice number issued to the Buyer by Zip;
 - (b) a copy of the relevant POD;
 - (c) the model number of the Zip Product(s); and
 - (d) the reason for the request for the return of the Zip Product(s).
- 2.2 Zip may approve or reject a request for the return of Zip Product(s) in its absolute discretion.
- 2.3 If Zip rejects a request for the return of Zip Product(s), it will notify the Buyer of the rejection and the reasons for the rejection.
- 2.4 If Zip approves a request for the return of Zip Product(s), the Zip Product(s) to be returned will be defined as "**Returns**".
- 2.5 Where Zip approves a Return(s), it will:
- (a) issue to the Buyer a unique Zip identification number known as a "**RAN**" or "**Return Authorisation Number**" for the Return(s); and
 - (b) organise its nominated carrier to pick up the Return(s) from the Buyer's premises for a **Restocking Fee charge of 20% of the invoice price (excl GST) of the Return Authorisation ("Restocking Fee")**.
- 2.6 The Buyer must have the Return(s) ready for pick up on the notified date.
- 2.7 If the Zip Product(s) are rejected by the Buyer after the Buyer has confirmed an order for delivery and Zip has received the Buyer's confirmation to deliver the order or part thereof, and Zip has not authorised such rejection, then Zip may charge the Buyer a Restocking Fee for returning the Zip Product(s) to the relevant Zip state warehouse. However, if the rejection is due to Zip's error, then the Buyer is not liable for the Restocking Fee.
- 2.8 Returns (excluding Damaged Returns) must be in saleable condition, that is in its original packaging, unopened and in the same condition as they were upon delivery of the original Zip product(s).
- 2.9 If a return of Zip Product(s) occurs at the request of Zip rather than the Buyer, then Zip shall be responsible for collection of the Zip Product(s) at Zip's cost.

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- 2.10 Zip, at its discretion, may either deduct the approved Return(s) amount and Restocking Fee from the invoice against which the Buyer makes the request, or issue to the Buyer a credit note equivalent to the approved Return(s) amount and Restocking Fee.

3. DAMAGE ALLOWANCE

- 3.1 Zip acknowledges that:
- (a) there may be circumstances where Zip's nominated carrier has delivered to the Buyer Zip Product(s) where the packaging has been damaged (**Damaged Product**) and the Buyer cannot reasonably sell the Damaged Product(s) to the Buyer's customers at the full recommended retail price; and
 - (b) the Buyer is permitted to return Damaged Product(s) as a Return(s) and following the process set out in Clause 2.
- 3.2 Zip may, in its discretion, offer as an alternative to the Return(s) process, provision of compensation to the Buyer to keep the Damaged Product rather than seek to return the Damaged Product(s) as a Return(s). This offer of compensation is known as a "**Damage Allowance**".
- 3.3 Zip will only offer a Damage Allowance if the Buyer has informed Zip that it has received the Damaged Product(s) within two (2) days of the date of the Proof of Delivery (**POD**) form either in a request for a Return(s) offer, or in any other form approved by Zip from time to time.
- 3.4 If the Buyer wishes to accept a "**Damage Allowance**", Zip will then:
- (a) issue to the Buyer a unique identification number know as a "**DA Number**" for the accepted Damage Allowance; and
 - (b) at its discretion, deduct the accepted "**Damage Allowance**" amount from the invoice to which the Damaged Product(s) relates or issue to the Buyer a Credit Adjustment Note equivalent to the accepted "**Damage Allowance**" amount.

4. WARRANTY AND INDEMNITY BY THE BUYER

- 4.1 The Buyer represents and warrants that:
- (a) all information that will be provided to Zip in relation to any "**Damage Allowance**" or a request for a Return(s) is true and correct and not misleading in any respect; and
 - (b) any Zip Product(s) that is to be returned to Zip as a Return(s) is in the same condition that it was when the Buyer took delivery of the Zip Product(s) from Zip.
- 4.2 The Buyer indemnifies and holds Zip harmless against any loss, cost, damage or expense, liability, actions, proceedings and claims (including reasonable legal fees and expenses) sustained by Zip in connection with any breach of Clause 4.1 by the Buyer.

5. SEVERANCE

- 5.1 If any provision of these conditions is or shall be illegal, invalid or unenforceable, then that provision shall be severed, and the validity and enforceability of the remaining provisions shall not be affected.

6. VARIATION

- 6.1 Zip may at any time, in its absolute discretion, vary any of these conditions by giving written notice to the Buyer.

7. GOVERNING LAW

- 7.1 These conditions shall be governed by laws of New South Wales, Australia, and each party submits to the exclusive jurisdiction of the courts of New South Wales.