

GREE PRODUCTS (PTY) LTD**WARRANTY POLICY FOR FY2017****1. Definitions**

- a. 'Company' means Gree Products (Pty) Ltd
- b. FY2017 means the Company's financial year 2017, starting 1st August 2016 to 31st July 2017.
- c. 'Authorized' means that the engineer/technician has followed a theoretical and practical technical training course organised by the Company for the concerned Goods, including the execution of one successful commissioning under supervision of an Authorized engineer/technician appointed by the Company
- d. 'Compensation' consists of the replacement or the repair, at the Company's sole discretion, of the Defective Parts, unless otherwise specified in this document
- e. 'Consumer' means a (i) natural persons, i.e, a human being, or (ii) legal person (including agency, business establishment, firm, trust, partnership, association, close cooperation, company)
- f. "Day' means any business day on which the banks are generally open for normal banking business in the Republic of South Africa
- g. 'Dead on Arrival" means that the Good do not function on initial start-up, due to a manufacturing default
- h. 'Defective Part' means a part that has malfunctioned due to a manufacturing fault in material and workmanship (during assembling) or a latent default
- i. 'Goods' mean air-conditioners and heating products supplied by the Company to the Consumer/Purchaser
- j. 'Manufacturer' means the Gree Group manufacturers
- k. 'Purchaser' means a legal person (including agency, business establishment, firm, trust, partnership, association, close cooperation, company purchasing Goods from the Company.

2. Warranty

- a. Subject to the conditions set forth in article 1,d the Company will grant a Compensation for Defective Parts, hereinafter referred to as the 'Warranty'
- b. This Warranty covers only the Goods and not the installation, commissioning and/or maintenance of the Goods
- c. The Warranty on the Goods will be granted, unless otherwise specified by the Company, during the following period ('Warranty Period') 60 months (5 years) on the compressor and 36 months (3 years) on all other components, subject to a maintenance/service report after the date of delivery of the Goods
- d. Warranty is only granted if (i) the Goods are 'Dead On Arrival' of if (ii) the Goods
 - are connected according to a combination in compliance with the Company's or the Manufacturer's instruction and recommendations
 - are used in an application authorized by the Company
 - are installed and commissioned by and Authorized engineer/technician of a Gree Contractor, in accordance with the applicable Manufacturer's instruction and recommendations
 - a commission sheet signed by the Authorized engineer/technician and the End User of the Goods installed , has been returned to the Company within two (2) weeks from the date of the commissioning/start up
 - are serviced and maintained by an Authorized engineer/technician , authorized a Manufacturer or the Company accordance with the applicable Manufacturer's instructions and recommendations. The minimum service and maintenance interval required is twice a year (every 6 months) unless if stated differently by the company. A copy of the maintenance contract(s) (in plural in case different Parties signed a maintenance contract) as well as maintenance reports for each maintenance interval should be submitted to the company with each Warranty Claim, and
 - have been paid in full by the Consumer/Purchaser according to the payment terms agreed between the Company and Consumer/Purchaser.

3. Exclusion

a. The Company will not any Compensation:

- If the applicable Manufacturer's installation and operation (if any) are not followed
- For goods that are not connected according to a combination in compliance with the Company's or the Manufacturer's instruction and recommendations (see 2-d)
- For Goods that are not used in an application authorized by the Company (see 2-d)
- For Goods that are used in connection with goods not supplied by the Company- unless differently agreed upon by the Company in writing
- For supplied spare parts, unless the spare part is incorporated in the Goods still covered under Warranty. In such case, the spare part becomes automatically part of the entire Goods and will become – as a consequence thereof – subject to the balance of the Warranty of the Goods as a whole, except for Consumers, in which case the guaranteed Warranty for this concerned spare part is always minimum three (3) months from date of invoice of the spare part.
- If damage is caused by normal wear (e.g. filters, batteries, fuses..) or by lack of maintenance
- If damage is caused by operation of the Goods outside its designated output capacity
- For Goods that have been modified, interfered with, or change in design, by and unauthorized person at any time after the delivery of the goods
- For Goods which Manufacturer's serial number has been altered, deleted, removed or made illegible
- If the design parameters have been overlooked or ignored
- If the fault or defect on the Goods has been caused by the act, neglect, omission or default of the Consumer/Purchaser or any third party, normal wear and tear, or abnormal working conditions
- If any remedial work in respect of the Good has been carried out by third parties instructed by the Consumer/Purchaser, without approval of the Company, including but not limited to, servicing, alteration and repair to the Goods
- If poor installation, workmanship and approval of the Company, including but not limited to, servicing, alteration and repair to the Goods
- If poor installation, workmanship and/or maintenance be the cause of the malfunction
- If a compressor fails, and that compressor has been removed from the unit prior to being inspected by my and Authorized engineer/technician
- For refrigerant and oil
- For labour

b. The Company shall not be responsible, nor be liable for

- Time and transport expenditure, the cost of which shall be for the Consumer/Purchaser's account unless otherwise agreed in writing by the Company
- Damage to the Goods as a result of floods, winds, lightning, accidents, fire or any other acts of God, corrosive environment, or any other causes beyond the control of the Company
- Failure of the Goods to operate due to voltage conditions, blown fuses, open circuit breakers or any other damages due to the inadequacy or interruption of electrical services, or
- Damage or repairs needed as a consequence of any misapplication, abuse, unauthorized alteration, improper servicing or operation of the Goods

4. Additional Warranty (Consumer only)

- #### a.
- In all the above mentioned cases, or if the Goods do not meet (1) the purposes for which they are generally intended or (ii) the particular purposes communicated by the Consumer upon acquiring the Goods, the Company will without charge for labour or parts, replace or repair the Goods, or refund the price paid for the Goods,, if the claim is lodged in writing to the Company within six (6) months after delivery of the Goods ('Additional Warranty Claim Period')

5. Claim period

- #### a.
- Only claims lodged within one (1) month after the manufacturing fault and defect having been identified will be considered, subject to the manufacturing fault or defect being identified before the expiry of the Warranty Period ('Claim Period')

6. How should Compensation be claimed?

- a. All Warranty claim requests documentation with the appropriate documents and maintenance contracts and reports are to be submitted by the Consumer/Purchaser to the Company's Branch Office which invoiced the Good(s) (for the attention of the Company's Service Coordinator')
- b. Claims will only be considered by the Company if submitted within the Claim Period or Additional Warranty Claim Period
- c. The Consumer/Purchaser shall submit to the designated Company Service Coordinator within fourteen (14) days following the receipt of the Company's written correspondence that the Warranty claim request shall be considered, a formal Warranty claim for (available from the Company) together with (i) the original invoice (including the date of purchase/installation by and Authorized engineer/technician, product model number and serial number of the Indoor and Outdoor unit(s) , (cf name plate) and identification date of the Authorizes engineer/technician) and (ii) adequate proof that the Goods are defective or a Consumer do not meet the (particular) purposes as described under 4.a, and that the concerned Goods are serviced and maintained by an Authorized engineer/technician. The Consumer/Purchaser shall also submit any additional paperwork and documentation requested by the Company or the designated Company Service Coordinator
- d. Goods and/or Defective Parts are to be returned – if necessary and after consultation with the Company in accordance with the Company's Return Policy upon request
- e. Claims that are not filed according to the instructions described in 6.a will automatically be rejected

7. Evaluation – Settlement

- a. The performed repair of the issued replacement part – if applicable – will be invoiced to the Consumer/Purchaser. Mostly this invoice will reflect the actual sales value of the performed repair or the replacement part but to smoothen the administrative process within the Company, the Company might issue (at the Company's discretion) an invoice at zero value.
- b. The Company will evaluate the Consumer/Purchaser's claim subject to being properly filed.
- c. The Company retains itself the right to reject the property filed claim when the outcome of the evaluation justifies the decision.
- d. If the Warranty claim is approved by the Company
 - (i) In case the performed repair or placement part was invoice by the Company at zero value, nothing additional needs to happen.
 - (ii) In case the performed repair or replacement part was invoiced by the Company at actual value, financial settlement of the claim towards the Consumer/Purchaser will be in the form of a credit note issued to the Consumer/Purchaser and processed against the Consumer/Purchaser's trade account held with the Company. However, in the event the Consumer/Purchaser has already paid upfront for the performed repair or the issued replacement part, the financial settlement will be in the form of an Electronic Fund Transfer (EFT) directly into the Consumer/Purchaser's bank account
- e. Under no circumstances shall the value of the financial settlement excess the price paid by the Consumer/Purchaser in respect of the Goods in question.
- f. If the Warranty claim is rejected, the repair or replacement part will not be considered performed or issued under Warranty, and the amount invoiced to the Consumer/Purchaser will remain in full. In case the performed repair or replacement part was previously invoiced by the Company at zero value (to smoothen the administrative process within the Company at the Company's discretion – see 7.a) a new invoice will be issued by the Company for performed repair or replacement with the actual sales value, and the Consumer/Purchaser will be liable for that invoice.
- g. In case the Consumer/Purchaser's claim is rejected, the Consumer/Purchaser shall not be entitled to exercise a right of retention, or withhold any payment of any amount payable towards the Company , because of any disputed, pending or rejected Warranty claim, not set-off any amount payable to the Company against the value of the Goods that is the subject of a disputed, pending or rejected Warranty Claim.