

WARRANTIES AGAINST DEFECTS EFFECTIVE 1 JANUARY 2012

On 1 January 2011 the Australian Consumer Law (ACL) commenced. The ACL is a cooperative reform of the Australian Government and the States and Territories, through the Ministerial Council on Consumer Affairs (MCCA).

From 1 January 2012 any warranties against defects in any consumer products sold in Australia will need to comply with the mandatory requirements in the ACL.

If you choose to sell products providing warranties against defects on the packaging you should ensure that they are compliant with the ACL requirements.

Form of Warranties against Defects

The ACL regulation provides that the following requirements must be met for a warranty to be compliant:

1. The warranty must be in a document that is transparent;
2. The warrant must concisely state what you must do to honour the warranty and what the consumer must do to be entitled to claim the warranty;
3. You must provide, your company name, business address, telephone number and email address (if any) on the warranty;
4. The warranty must state the period within which a defect in the product must appear if the consumer is entitled to the warranty;
5. The warranty must set out the procedure for the consumer to claim the warranty including address to which a claim may be sent.
6. The warranty must state who will bear the expense of claiming the warranty and if the expense is borne by you, how the consumer can claim the expenses incurred from you.
7. The warranty must state the benefits to the consumer given by the warranty are in addition to other rights and remedies of the consumer under a law in relation to the product to which the warranty relates.

In addition, the mandatory text that must be included is as follows:

“Our goods come with guarantees that cannot be excluded under the Australian Consumer Law. You are entitled to a replacement or refund for a major failure and compensation for any other reasonably foreseeable loss or damage. You are also entitled to have the goods repaired or replaced if the goods fail to be of acceptable quality and the failure does not amount to a major failure.”

If you require further information on your packaging requirements, please do not hesitate to contact us.

You can also find more information on Australian Consumer Law and Warranties against Defects here:

www.consumerlaw.gov.au

<http://www.accc.gov.au/content/index.phtml/itemId/996742#toc2>