

# Terms of sale

## TERMS OF SALE

All products will be billed per the applicable pricing schedule that is in effect at time of shipment.

Pricing is subject to change without notice. The minimum billing charge is \$500 net plus transportation charges.

## CASH TRANSACTIONS

Philips Lighting Electronics N.A. and Philips Lighting Company incentivize prompt cash payment by providing a discount on cash transactions.

These discounts can result in significant savings to the OEM customer. Terms for all orders are 1% 10th prox, net 15th prox.

# Transportation

## FREIGHT

As a value-added service to our OEM customers, freight is prepaid and routed at our discretion by one of our pre-selected and approved carriers for shipments of \$1,000 or greater. Qualifying orders ship to all direct customer locations (points) in the United States, except Alaska and Hawaii, provided Philips Lighting Electronics N.A. a) selects method of shipment and b) routing of shipment. For shipments less than \$1,000, the OEM customer is charged for freight.

## DELIVERY

If product is in inventory at the designated (default) distribution center servicing the customer's region and is available for sale, orders placed by 6:00 pm will ship on the next scheduled ship day.

## APPROVED CARRIERS

Enabling prompt and reliable delivery of product, Philips Lighting Electronics N.A. and Philips Lighting Company maintain and use a network of pre-qualified and approved freight carriers. Should the customer require shipment using a non-approved carrier, the OEM customer assumes responsibility for the freight costs, regardless of order size or delivery requirements.

## EXPEDITED SHIPMENTS

In the event of required same-day order shipments, said orders must be placed by 12 pm (in the time zone of the designated distribution center). Standard freight terms apply. However, if premium freight is requested, the customer is responsible for the associated costs and is required to provide the selected courier account number.

## SHIPMENT SHORTAGES

Should there be a shipment shortage in a prepaid shipment to the customer, Philips Lighting Electronics N.A. or Philips Lighting Company may assume claim-filing responsibility given that the shortage is reported within four (4) working days from the date of receipt (receipt date is based upon notation on the freight carrier's receipt).

The proper shortage notation must appear on the signed bill-of-lading.

## SHIPMENT DAMAGES

Philips Lighting Electronics N.A. or Philips Lighting Company may also assume claim-filing responsibility for damages to a prepaid shipment given the damage is reported to us within four (4) working days from the date of product receipt (receipt date is based upon notation on the freight carriers' receipt). The proper damage notation must appear on the signed bill-of-lading. Submittal of digital pictures exhibiting the damage are encouraged and will expedite the credit approval process.

## Transportation continued

### PROOF OF DELIVERY

Request for proof of delivery must be sent to Philips Lighting Electronics N.A. within six (6) months from date of invoice. After six (6) months, we will process the request(s) with the carrier, but assume no financial liability for the shipment.

### AGENCY WAREHOUSES

Philips Lighting Electronics N.A. and Philips Lighting Company may maintain inventories in agency warehouses on a highly selective basis. We reserve the right to alter standard shipping terms and conditions for agency warehouse will-calls or shipments.

# Terms of use

### POLICY

Lamps or ballasts sold to our OEM customers are intended exclusively for installation into luminaires manufactured or assembled by the OEM customer. Philips Lighting Electronics N.A. does not ship product in individual cartons, commonly referred to as IC Distributor Packs, to OEM customers. OEM customers will only be shipped complete pallet packs and full-case quantities for lamps; mid-packs or pallets for ballasts.

### RECOURSE

In the event that lamps or ballasts are inappropriately resold for replacement purposes by the OEM customer and/or should an OEM customer be found using lamps or ballasts for use other than as defined in the Terms of Use Policy (installation into a luminaire manufactured or assembled by the OEM customer), the OEM is responsible for and will be billed the incremental charges between the OEM customer price and the price listed in the current distributor price schedule.

The OEM customer agrees to pay this difference per this OEM Policy document.

# Returns

### RETURN POLICY

While Philips Lighting Electronics N.A. and Philips Lighting Company are under no obligation to accept product returns, returns will be granted at the our own discretion if they meet all return requirements as defined in the Return Policy including:

- All returns of Philips Advance ballasts and lamps are to be processed and approved by an authorized Philips Lighting Electronics N.A. or Philips Lighting Company Customer Service Representative prior to shipment and must have a return authorization (RA) number.
- Assigned RA documentation must be used as a packing slip with the return shipment.
- All operable returns require a non-negotiable 25% restocking fee that will be charged back to the customer unless the return is due to a Philips Lighting Electronics N.A or Philips Lighting Company error.
- The customer is responsible for all return freight on operable product returns, unless the return is due to a Philips Lighting Electronics N.A or Philips Lighting Company error.
- Operable returns for product that has been opened [opened packs], is damaged, is date-coded with less than 2 years remaining warranty or has been discontinued will not be accepted under any circumstances and they, as well as any associated return freight, are the responsibility of the customer.
- Inoperable returns for product that is damaged , is out-of-warranty or does not meet the 8" lead minimum will not be accepted under any circumstances and they, as well as any associated return freight, are the responsibility of the customer.

## Returns continued

### RETURN FREIGHT TERMS

- The customer must ship all approved returns to the designated location, freight-prepaid, with the RA number and return tracking or pro number.
- Freight collect shipments are not accepted and will be returned to sender.
- Freight for inoperable product returns or returns due to a Philips Lighting Electronics N.A or Philips Lighting Company error will be shipped using 3rd party billing, and the customer will receive instructions on how to do this.

### BILLING DISPUTES

Any deduction at the time of payment must be clearly identified and supported with official RA documentation as issued by a Customer Service Representative of Philips Lighting Electronics N.A. or Philips Lighting Company.

Official RA documentation includes the assigned RA number. Philips Lighting Electronics N.A. and Philips Lighting Company reserve the right to hold future orders if this procedural requirement is not met by the customer.

### RETURN CREDIT PROCESS

To facilitate and expedite the credit process for operable lamps or ballast returns, that are not related to shipping errors, the customer must contact a Philips Lighting Electronics N.A. or Philips Lighting Company Customer Service Representative. The Customer Service Representative will then complete an RA form with the information supplied, and then fax or email this prenumbered form to the customer with instructions for returning the shipment.

The RA number must accompany the return shipment in order to ensure proper credit. Shipments without an RA will be immediately rejected and returned to sender.

Customer support can be contacted at 800-372-3331. For any other return issues, contact your sales representative.

## Operable products (Good unit returns - new and unused)

### INSPECTION

Upon receipt, Philips Lighting Electronics N.A. and Philips Lighting Company inspect all returned operative products to ensure that they are:

- Manufactured by Philips Lighting Electronics N.A. or Philips Lighting Company
- Contained within the customer's recent purchase history
- Date-coded within 2-years of return date / date-coded with less than 2 years remaining warranty
- Current, listed, saleable products in saleable condition and currently cataloged (not obsolete, etc.)
- Unopened and returned in the original Philips labeled cartons

Opened packs, damaged, out-of-warranty or discontinued products will not be accepted under any circumstances and they, as well as any associated return freight, are the responsibility of the customer.

All operable returns need to be coordinated through a Philips Customer Service Representative, at 1-800-372-3331.

## Operable products continued

### NON-COMPLIANCE

Credit will not be issued for returned products that fail to comply with ALL of the previously mentioned criteria.

Returns without a corresponding RA will be immediately returned to sender.

Non-compliant returned products will be retained for a maximum of 10 days pending the customer's disposition instructions, after which time, said products can be disposed of at our own discretion.

### RESTOCKING CHARGES

The customer assumes a non-negotiable 25 percent fee for restocking for all returned product that is deemed operable by Philips Lighting Electronics N.A. or Philips Lighting Company. This charge will be waived only if the return is due to a Philips Lighting Electronics N.A. or Philips Lighting Company error.

## Inoperable products (In-warranty returns)

Requests for replacement of inoperable products that are still within their warranty period can be submitted online by visiting [www.philips.com/advancewarranty](http://www.philips.com/advancewarranty) and completing a warranty/return form.

Inoperable returns for credit need to be coordinated through a Philips Customer Service Representative at 1-800-372-3331.

### INSPECTION

Upon receipt, Philips Lighting Electronics N.A. and Philips Lighting Company inspect all returned inoperable products to ensure that they are:

- Manufactured by Philips Lighting Electronics N.A. or Philips Lighting Company
- Date-coded within the product's published warranty period
- Contain the minimum eight (8) inches of attached lead wire required for operation testing (ballasts)

*Note that in order to effectively test in-warranty returns, all ballasts received for evaluation must have a minimum of **eight (8) inches** of attached lead wire. Any submitted ballast(s) that do not meet this requirement are not warrantable, and all related warranty claims become null and void and therefore are ineligible for replacement or credit.*

Damaged and out-of-warranty products will not be accepted under any circumstances and they, as well as any associated return freight, are the responsibility of the customer.

Inoperable product within its designated warranty period that is submitted correctly via the warranty claim process and is deemed as inoperable via in-house testing by our warranty professionals will qualify for product replacement.

### NON-COMPLIANCE

Credit will not be issued for returned products that fail to comply with ALL of the above criteria.

Credit and/or replacement product will not be provided for product that is deemed as OPERABLE via in-house testing by our warranty professionals.

Returns without a corresponding RA will be immediately returned to sender.

Non-compliant returned products will be retained for a maximum of 10 days pending the customer's disposition instructions, after which time, said products can be disposed of at our own discretion.

## *Inoperable products continued*

### AGING

Philips Lighting Electronics N.A. and Philips Lighting Company must be notified of the inoperable status of a product within its designated warranty period; otherwise, said product is ineligible for our warranty program.

### CREDIT OR REPLACEMENT

Philips Lighting Electronics N.A. and Philips Lighting Company offer the OEM customer the option of product replacement or credit for reimbursement of a product deemed inoperable by our trained warranty professionals.

Unless created with reference to a specific invoice, all credit will be issued at a price determined by Philips Lighting Electronics N.A.

### DESTROYED IN THE FIELD

In certain cases, the authorized Philips Lighting Electronics N.A. or Philips Lighting Company representative may deem that the inoperative product(s) be destroyed at the customer's place of business.

The customer does not have permission to destroy product until it has receipt of the appropriate completed and signed authorization form as provided by the designated authorized Philips Lighting Electronics N.A. or Philips Lighting Company representative.

## Thank you...

Philips Lighting Electronics N.A. has a duty to its OEM partners to truly deliver strategic and meaningful value everyday. So we continually invest in our products and people to deliver on that promise. As a Philips Lighting Electronics N.A. customer, you can be sure of our commitment to help grow your business and provide true leadership in the industry. We appreciate the opportunity to serve you and your customers and hope that you will continue to grow our partnership, bringing excellence to light.

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