



NO RETURN NO EXCHANGE POLICY BASED ON DTI ANSWERS.

Source: http://dtincr.ph/faq_noreturn.php

1. What is the legal basis of the prohibition on the “No Return, No Exchange” policy of business establishments?

Pursuant to the Implementing Rules and Regulations of R.A. 7394, or the Consumer Act of the Philippines, specifically Title III, Chapter 1, Rule 2, Section 7 of Department Administrative Order (DAO) No. 2, Series of 1993, the words “No Return, No Exchange”, or words to such effect shall not be written into the contract of sale, receipt of sales transaction, in any documents as evidence of sale, or anywhere in the store or business establishment.

2. What is the rationale for this provision?

The prohibition is aimed to correct the misconception of a lot of consumers today that they do not have the right to return shoddy or defective goods or demand for remedies, in case of defective or imperfect service because of the “No Return, No Exchange” notice in the receipts or anywhere in the business establishments.

3. Why is the presence of a “No Return, No Exchange” notice considered deceptive?

Such statement is considered deceptive because consumers may return or exchange the goods or avail of other remedies, in case of hidden faults or defects, or any charge the buyer was not aware of the time of purchase. By provision of law, sellers are obligated to honor their implied warranties and grant corresponding remedies to consumers.

4. Can Business establishments still issue official receipts with the “No Return, No Exchange”?

The Plan has six-month objectives and three-year objectives.

Business establishments with unused Official Receipts should erase or blot out the words “No Return, No Exchange” before issuing such receipts and henceforth, such words should no longer be printed in their receipts or anywhere in their business establishments.

5. If an item bought from store Y turns out to be more expensive than a similar item in store X, can the customer return the item and ask for a refund?

No. While consumers have the right to choose and make a canvass of prices, once a sale in

done and the product has no defect, one cannot return the goods nor ask for a refund

6. Can a store exercise only a policy of exchange but not refund?

Consumers are entitled to either an exchange or refund, as long as there is a defect in the quality of goods or imperfection in the service.

7. If the defect is due to mishandling on the part of the buyer, can he/she still return the item and demand an exchange or refund?

No. The prohibition covers only hidden defects, shoddy goods or imperfect service.

8. If after buying a certain item, a customer changes his/her mind and wants to return said item. Can he/she invoke the prohibition on “No Return, No Exchange”?

No, the prohibition is not an excuse for the consumer to return the goods because of a change of mind.

9. Is there a time limit within which a buyer may return defective products?

There is no hard-and-fast rule on the period within which a customer may return the products he purchased. A rule of reason should, however, be observed, taking into consideration the

nature of the item purchased and the express / implied warranties mandated by law, i.e. Consumer Act and the New Civil Code of the Philippines.

10. Can a buyer return defective goods without the official receipt?

The Official Receipt is the best proof of purchase. However, he/she may still demand replacement or refund if he/she can prove that a defective item was bought from a certain store.

11. Can a store print in their invoices the statement “Exchange of Merchandise will not be accepted without a valid receipt or other evidence of purchase”?

No, because there may be goods exclusively manufactured or sold by a company and there is no need to prove purchase of the item.

12. Can a store impose the condition that merchandise can only be exchanged once?

No, because merchandise can be exchanged as many times, as long as the consumer chooses the option of replacement.