



Refund & Exchange

Although many of your customers think they can return whatever they buy, whenever they want, and for whatever reason, there is no law in BC regarding cash refunds. Retailers should inform customers of such policies.



Cash Refunds

You may decide that products can be returned for a cash refund for any reason, but you should set a time limit on this option (for example, within 10 days).

Credit on Account & Exchanges

Alternately, you may want to only offer exchanges or credits for returned merchandise.

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Inform your Customers

While it is up to the consumer to find out what a store's policy is before purchasing, retailers can avoid uncomfortable confrontations or disappointed customers if they take steps to inform everyone of store policy.

can streamline the process, the better. Remember, your customer is already disappointed that the product they bought from your store is defective, so providing good customer service at this point is crucial for creating a *lifetime customer*.

Defective merchandise

Legislation *does* require retailers to accept the return of defective merchandise and offer one of three options:

- Refund for item
- Replacement of item
- Repair of item

Whichever option you offer your customers, the more you

Restocking fee

Depending on your refund policy and the item being returned, you may want to charge a restocking fee. This fee is commonly a deduction of between 15% and 25% of the original purchase price.

Restocking fees are usually only charged on larger ticket items as compensation for the seller

for lost profits. Once again, remember to inform the customer of such policies at the time of purchase.

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To fully review legislation surrounding refunds and exchanges in BC, request a copy of the Consumer Protection Act and the Sale of Goods Act from the Consumer Services Division of the Community Justice Branch of the Ministry of Attorney General 1-888-564-9963

