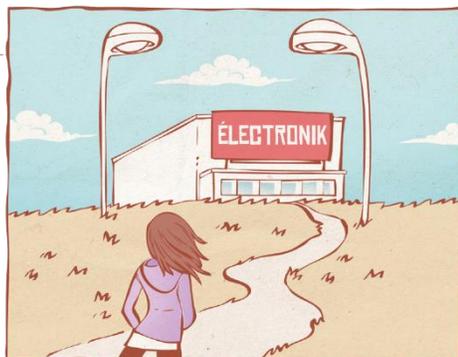




## Kim's Camera

Kim is a photography buff. Every time she gets a chance, she uses her photos for scrapbooking albums and projects. Since her old camera no longer works, she has decided to spend her day off on Saturday buying a new digital camera.



She knows exactly what model she is looking for: the Photo-Tek BC400. She has saved up enough money to buy it. It costs \$189.99, including tax. This month, the merchant is also offering an attractive promotion: in addition to the camera, buyers receive a free waterproof carrier, a battery charger, and a memory card that can hold hundreds of photos. "That's just what I need," she tells the merchant.

The merchant tells her that the manufacturer provides a one-year warranty on the camera. This is what's called the conventional warranty. He also offers Kim an extended one-year warranty. "For only \$40, your camera will be guaranteed another year," the merchant explains. He explains that it is often costly to repair electronics. Since Kim wants to avoid any problems, she finds the proposal worthwhile. In the end, she pays a total of \$229.99 for the camera and the extended warranty.

Within the first two months of use, Kim's camera has a few problems. The flash doesn't always work. As a result, some of the photos she takes in darker places are blurry. Dissatisfied, she returns to see the merchant, who tells her that she herself will have to return the camera to the manufacturer for repair.

Kim will also have to pay \$10 for the repair, plus \$15 for shipping expenses. Yet there is no such information in the warranty booklet that came with the device.

Kim is disappointed: she doesn't understand why she has to pay \$25. "That's your only option," the merchant tells her. She agrees to pay the amount, because she wants to use her camera at an upcoming birthday party for her friend Luke. She is relieved to receive her repaired camera just in time. Phew!

The camera works properly for a few months. However, Kim notices that she cannot take photos from afar because the zoom isn't working properly. She goes back to see the merchant, who tells her that the manufacturer's warranty has expired. "But I bought an extended warranty," Kim reminds him. She asks that her camera be repaired at no cost. Unfortunately, the merchant informs her that the part is not covered under the additional warranty. In his view, the problem is not a defect but the result of misuse by Kim. Yet Kim knows that she took very good care of her camera. What's more, a camera specialist confirmed that the problem is indeed a product defect. Dumbfounded, Kim has no idea what to do. The merchant asks her to pay \$50 for the repair.

Can you help out?





**Instructions:**

Use the following table to analyze Kim's case. Assess every aspect of the case based on the excerpts below from the *Consumer Protection Act*. Explain what an informed consumer could do in this situation.

Aspect of case	Correct or incorrect?	Justify your answer.	What should an informed consumer do in this situation?
<p>When the merchant offers Kim the one-year additional warranty, he gives her all the information needed about the warranty provided by the camera manufacturer and the additional warranty he can sell her for another \$40.</p>			
<p>Kim also has to pay \$15 in shipping charges to send the camera to the manufacturer.</p>			
<p>The merchant tells Kim about the flash is covered by the warranty, but she will have to pay \$10 to replace it.</p>			

**What the law says**

- Goods forming the object of a contract must be fit for the purposes for which goods of that kind are ordinarily used. (section 37)
- Goods forming the object of a contract must be durable in normal use for a reasonable length of time, having regard to their price, the terms of the contract and the conditions of their use. (section 38)
- Every writing evidencing a warranty must be clearly drawn up and state:
  - the obligations of the person granting the warranty in the case of a defect in the goods or poor performance of the service covered by the warranty;
  - the manner in which the consumer is to proceed to obtain execution of the warranty, as well as who is authorized to execute it;
  - the duration of the warranty.
- No costs may be claimed from a consumer by the merchant or manufacturer when executing a conventional warranty unless that amount is specifically indicated, where applicable, in the document explaining the warranty.
- The merchant or the manufacturer must assume the real cost of transportation or shipping incurred in respect of the performance of a conventional warranty, unless otherwise stipulated, where applicable, in the writing evidencing the warranty.
- Before proposing to sell a consumer a contract that includes an additional warranty on goods, the merchant must inform the consumer, both verbally and in writing:
  - of the existence and nature of the statutory warranty in sections 37 and 38;
  - of the existence and duration of the conventional warranty, if one is provided without charge.



\* The information provided in this document is intended to simplify legislative and regulatory provisions and therefore cannot be used for legal interpretation purposes. Where necessary, the reader's understanding of the information can be completed with the wording of the legislation and regulations to which they refer.

