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11			
12	UNITED STATES DISTRICT COURT		
13	NORTHERN DISTRICT OF CALIFORNIA		
14			
15	IN RE APPLE IPHONE/IPOD WARRANTY LITIGATION	No. CV-10-01610	
16 17	This Document Relates To:	MASTER COMPLAINT FOR DAMAGES AND FOR EQUITABLE RELIEF	
18	All Actions	CLASS ACTION	
19			
20		JURY TRIAL DEMANDED	
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II	I	Dockets.Justia.com	

1	Plaintiffs, Charlene Gallion, Christopher Corsi, Daniel Calix, and Raj Johal,		
2	on behalf of themselves and all others similarly situated, allege as follows:		
3	PARTIES		
4	1. Plaintiff, Charlene Gallion, is a resident of San Francisco, California.		
5	2. Plaintiff, Christopher Corsi, is a resident of Medford, New Jersey.		
6	3. Plaintiff, Daniel Calix, is a resident of East Baton Rouge Parish,		
7	Louisiana.		
8	4. Plaintiff, Raj Johal, is a resident of Bellevue, Washington.		
9	5. Defendant Apple, Inc. ("Apple"), is a corporation that was created		
10	under the laws of the State of California, and has its principal place of business in		
11	Cupertino, California.		
12	6. Plaintiffs are unaware of the true names and capacities of Does 1		
13	through 100 and sues them by fictitious names. Plaintiffs will amend this		
14	Complaint to include these Doe defendants' true names and capacities when they		
15	are ascertained. Each Doe defendant is responsible in some manner, including		
16	without limitation, as aiders and abettors, for the conduct alleged in this Complaint.		
17	7. At all times mentioned in this Complaint, each and every defendant		
18	was an agent, representative, or employee of each and every other defendant and in		
19	doing the things alleged in this Complaint, each and every defendant was acting		
20	within the course and scope of such agency, representation or employment and was		
21	acting with the consent, permission and authorization of each of the remaining		
22	defendants. Each defendant's actions alleged in this Complaint were ratified and		
23	approved by the other defendants and their respective officers, directors, or		
24	managing agents.		
25	JURISDICTION AND VENUE		
26	8. This Court has diversity jurisdiction over the claims asserted herein on		
27	behalf of a statewide class pursuant to 28 U.S.C. section 1332, as amended in		
28			
FAZIO MICHELETTI LLP Attorneys	-1- MASTER COMPLAINT FOR EQUITABLE RELIEF AND DAMAGES (CASE NO. CV-10-01610)		

MASTER COMPLAINT FOR EQUITABLE RELIEF AND DAMAGES (CASE NO. CV-10-01610)

- 1 a. the amount in controversy in this class action exceeds five million 2 dollars, exclusive of interest and costs, the proposed class includes 3 more than 100 members, more than one of whom reside in a state other than California; and 4 5 b. Apple has purposefully availed itself of the privilege of conducting business activities within the State of California, where its officers 6 7 direct, control, and coordinate Apple's corporate activities and where Apple engaged in the unlawful conduct alleged in this Complaint by, 8 9 *inter alia*, designing and selling the Apple iPhone and the Apple iPod 10 touch equipped with Liquid Submersion Indicators (which, for 11 purposes of this Complaint, are referred to collectively as "Class 12 Devices"); by drafting and/or approving the terms of the warranties $\mathbf{13}$ that are included or are sold with Class Devices; by implementing and 14 executing the illegal, unfair, fraudulent, and unconscionable corporate 15policies and practices alleged herein; and by maintaining systematic 16 and continuous business contacts with the State, primarily through its 17 Cupertino headquarters. 18 9. Venue is proper in this judicial district pursuant to 28 U.S.C. section 19 1391, and California Civil Code section 1780(d), because the transactions alleged in 20 this Complaint occurred in this judicial district. 21 **GENERAL ALLEGATIONS** 22 10. The iPhone is an internet and multimedia-enabled "smartphone" 23 designed and marketed by Apple. Apple introduced the original iPhone for sale in 24 the United States in or about June 2007. Since then, Apple has introduced the $\mathbf{25}$ iPhone 3G, iPhone 3GS, and iPhone 4, and has sold iPhones at prices ranging from 26 \$99 to \$499, depending on, *inter alia*, the features and storage capacity of the
- 28

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device, and whether the cost is subsidized as a result of entering into a contract for

wireless services from the exclusive provider of those services, AT&T Mobility, LLC.
 ("AT&T").

11. Due to an exclusive partnership between Apple and AT&T, the iPhone
was, from its initial sale in 2007 until it announced an agreement with Verizon
Communications, Inc. ("Verizon"), in January 2011, configured to function only with
the wireless services provided by AT&T. To activate and use all the iPhone's
features, consumers must enter into a two-year contract with AT&T for wireless
services.

9 12. Apple also designs, markets, and sells the iPod touch throughout the
10 United States. The iPod touch is virtually identical to the iPhone in design,
11 manufacture, and features, except for those features that pertain to the iPhone's
12 telephonic capabilities. Apple sells the iPod touch at prices ranging from \$199 to
13 \$399, depending on, *inter alia*, their features and storage capacity.

 $\mathbf{14}$

The Standard Warranty and Extended Warranty

15 13.At all times relevant to the subject matter of this Complaint, when 16 consumers purchase Class Devices, they are advised by Apple and its agents—in 17 the written material that accompanies the product, on the Apple official website, 18 and other sites and locations where Class Devices are sold—that the cost of Apple's 19 standard one-year limited warranty (the "Standard Warranty") is included in the 20 purchase price. At all times relevant to the subject matter of this Complaint, 21 consumers are also told that the Standard Warranty protects Class Devices "against $\mathbf{22}$ defects in materials and workmanship under normal use." Copies of the relevant 23 portions of iPhone Standard Warranty agreements in effect during the class period 24 are attached hereto as collective Exhibit 1.¹

¹ The foreign-language portions of the Standard Warranty have been omitted
from Exhibit 1. The terms of the iPod touch Standard Warranty is, for all purposes relevant to this Complaint, substantively the same as the iPhone Standard Warranty.

1 14. The terms of the Standard Warranty obligate Apple to "either (a)
 2 repair the hardware defect at no charge, using new parts or parts equivalent to new
 3 in performance and reliability, (b) exchange the product with a product that is new
 4 or equivalent to new in performance and reliability and is at least functionally
 5 equivalent to the original product, or (c) refund the purchase price of the product."

15.Apple also offers consumers the opportunity to purchase the 6 "AppleCare Protection Plan" for Class Devices, which Apple markets as providing 7 8 "comprehensive coverage" under an extended warranty for two years from the date of original purchase (the "Extended Warranty"). The Extended Warranty may be 9 10 purchased for the iPhone for an additional \$69.00 and for the iPod touch for an 11 additional \$59.00. The terms of the Extended Warranty obligate Apple to repair or 12 replace Class Devices if there is a defect in materials or workmanship during the 13 coverage period. Copies of the current Extended Warranty that pertains to the 14 iPhone and the iPod touch are attached hereto as collective Exhibit 2.

15 16. The Standard Warranty excludes coverage for "damage caused by
accident, abuse, misuse, *liquid spill or submersion*, flood, fire, earthquake, or
other external causes," Exhibit 1 (emphasis added); other versions of the Standard
Warranty in effect during the class period omit the "liquid spill or submersion"
language, stating that they exclude coverage for "damage caused by accident, abuse,
misuse, flood, fire, earthquake, or other external causes," *id*.

21 17. Apple has included similar language in the exclusion provision of the 22 most recent versions of the iPhone and iPod Extended Warranty agreements, which 23 Plaintiffs are informed and believe Apple has applied uniformly to all claims made $\mathbf{24}$ pursuant to the Extended Warranty that involve a triggered Liquid Submersion $\mathbf{25}$ Indicator. See Exhibit 2 ¶ 1(b)(ii) (excluding coverage for damage "caused by accident, abuse, neglect, misuse (including faulty installation, repair or 26 $\mathbf{27}$ maintenance by anyone other than Apple or an Apple Authorized Service Provider), 28 unauthorized modification, extreme environment (including extreme temperature or humidity), extreme physical or electrical stress or interference, fluctuation or surges
 of electrical power, lightning, static electricity, fire, acts of God or other external
 causes"). The damage-exclusion provisions of the Standard Warranty and Extended
 Warranty are collectively referred to herein as the "Liquid-Damage Exclusion."

5 18. The terms and conditions that govern retail repairs performed by
6 Apple outside the terms of the Standard Warranty or Extended Warranty
7 agreements (*e.g.*, when a repair or replacement is performed after a claim under one
8 of those agreements is denied) are set forth in a document titled "Apple, Inc. Repair
9 Terms and Conditions" ("Apple Repair Agreement"), a copy of which is attached
10 hereto as Exhibit 3.

11

THE LIQUID SUBMERSION INDICATORS

12 19. In a document titled "iPhone and iPod: Water damage is not covered
13 by warranty" (a copy of which is attached hereto as Exhibit 4), Apple depicts the
14 location of the external Liquid Submersion Indicators that are located in the
15 headphone jack in all Class Devices, and in the dock-connector housing of the
16 iPhone.

20. Apple represents to consumers that the purpose of the Liquid
Submersion Indicators is to enable Apple to determine "whether liquid has entered
the device[,]" and that Liquid Submersion Indicators are designed not to be
triggered by humidity and temperature changes that are "within the product's
environmental requirements described by Apple." Exhibit 4 at 1. Apple also states
that "[c]orrosion, if evident, leads to the irreversible deterioration or degradation of
metal components and may cause the device to not work properly." *Id.* at 2.

24 21. In actuality, Plaintiffs are informed and believe that Liquid
25 Submersion Indicators are subject to being triggered by humidity and temperature
26 changes and for other reasons that do not damage Class Devices. For example, in
27 the promotional material that 3M Company ("3M") uses to market its "Water
28 Contact Indicator Tape" (which is the product Apple uses as Liquid Submersion

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Indicators in the Class Devices), 3M states that different models of Water Contact 1 2 Indicator Tape have differing resistance to humidity. Specifically, Water Contact 3 Indicator Tape model No. 5557 has the "best" resistance to humidity, whereas model Nos. 5559 and 5558 have only "good" or "better" humidity resistance, 4 5 respectively. Nonetheless, Apple chose model Nos. 5558 and 5559, not model No. 5557, for use as Liquid Submersion Indicators in Class Devices. 6

22.Plaintiffs are informed and believe that Apple corporate policy dictates 7 8 that Apple personnel must refuse warranty coverage to consumers who seek a 9 repair or replacement of a Class Device if its external Liquid Submersion Indicator 10 has been triggered. Plaintiffs are also informed and believe that, in accordance 11 with Apple corporate policy, Apple personnel represent to consumers that if the 12 external Liquid Submersion Indicator on their Class Device has turned pink or red, 13 it has been submersed or immersed in liquid, thus sustaining damage, which 14 renders the Standard Warranty and the Extended Warranty void.²

15 23.Plaintiffs are informed and believe that, in actuality and contrary to what Apple represents to consumers, Apple is aware that Liquid Submersion 16 17 Indicators cannot be relied upon to establish with any reasonable degree of certainty that a Class Device has even been exposed to (much less damaged by) 18 19 liquid. Plaintiffs are informed and believe that independent testing has demonstrated that Liquid Submersion Indicators can be triggered by, among other 20 21 things, cold weather and humidity that are within Apple's technical specifications $\mathbf{22}$ for the Class Devices.

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² Plaintiff does not challenge Apple's right to decline warranty coverage to a consumer if his or her Class Device has actually been damaged as a result of a spill 25 or submersion in liquid. Nor does Plaintiff challenge Apple's right to employ Liquid Submersion Indicators to alert Apple personnel that a Class Device may have been 26 exposed to liquid, as long as an inspection is conducted for the purpose of ascertaining whether the Class Device actually has been exposed to liquid and 27 actually has been damaged as a result of that exposure. Rather, Plaintiff challenges Apple's use of Liquid Submersion Indicators as the sole basis for denying 28 coverage under the Liquid-Damage Exclusion.



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24. Plaintiffs are also informed and believe that external Liquid
 Submersion Indicators can be triggered by other types of moisture that should not
 cause damage in any event—such as a palm that becomes sweaty after a work-out,
 and other small amounts of moisture to which the devices would be exposed during
 ordinary, foreseeable use.³

25.In addition to the external Liquid Submersion Indicators, Class 6 7 Devices contain *internal* Liquid Submersion Indicators, whose purpose is to assist 8 Apple service personnel in verifying whether those devices have actually been 9 damaged due to liquid spills or submersion. Plaintiffs are informed and believe that 10 the presence of actual damage by liquid can be verified by, *inter alia*, having a 11 technician open the Class Device's outer cover to inspect the internal indicators and 12 the internal components for actual damage caused by liquid (e.g., inoperable 13 circuitry as a result of corrosion).

Plaintiffs are informed and believe that Apple's corporate policy 14 26.15 prohibits Apple representatives from conducting such inspections except in rare circumstances (e.g., when Apple technical-support personnel are directed to do so by 16 17 Apple management), and that Apple corporate policy dictates that Apple personnel are to refuse warranty coverage under the Standard and Extended Warranty 18 19 agreements whenever an *external* Liquid Submersion Indicator has turned red or 20 pink-without attempting to verify actual damage by examining the *internal* 21 Liquid Submersion Indicators and by conducting an inspection to determine whether Class Devices have actually been damaged by a liquid spill or submersion. $\mathbf{22}$

³ Apple recently revised the document that comprises Exhibit 4 by changing the name of the Liquid Submersion Indicator to the "Liquid *Contact* Indicator."
(Emphasis added.) A copy of the new version of the document titled "iPhone and iPod: Water damage is not covered by warranty" (which Apple revised in December 2009) is attached hereto as Exhibit 5. Similarly, Apple has changed the reference to damaged caused by "liquid spill or submersion" in the Standard Warranty to damage caused by "liquid contact" in the revised version of the Standard Warranty that applies to the iPhone.

1 Because Liquid Submersion Indicators do not—and cannot—detect the existence of 2 *damage* to an electronic device, a triggered Liquid Submersion Indicator does not 3 establish the existence of such damage. Plaintiffs are informed and believe that, because Liquid Submersion Indicators can be triggered by exposure to sweaty 4 palms, humidity, cold weather, and other climatic conditions, they do not establish 5 that a Class Device has been submersed or immersed in liquid, either. 6

27.Plaintiffs are informed and believe that, in the rare event that a 7 8 persistent consumer can persuade Apple personnel to inspect a Class Device for actual liquid spill or submersion damage that would legitimately void coverage 9 10 under the Liquid-Damage Exclusion (as opposed to relying on Liquid Submersion 11 Indicators alone), Apple's corporate policy prohibits Apple personnel from (a) 12 providing that consumer with a copy of any images that were taken to record the 13 inspection, (b) allowing the consumer to record images of inspection on his or her 14 own, and (c) being present when the inspection is conducted.⁴

15 28.In addition to preventing consumers from being present in the event a 16 Class Device is inspected, or obtaining any image of that inspection, Apple's 17 Standard Warranty warns consumers not to open their Class Device, that only Apple or its authorized representatives should open Class Devices, and that their 18 19 warranties may be void if they do not heed that warning. Specifically, Apple makes 20 the following statement at page 2 of its Standard Warranty (bold type is in the 21 original):

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26 ⁴ Questions about these policies have been raised by technology journalists. See, e.g., Michael Klurfield, "Apple iPhone Abuse Detection Sensors: Who is Whom?," Techgeist, Sept. 2009(available online Abusing 18, at http://techgeist.net/2009/09/apple-iphone-abuse-detection-sensors-abusing-2/). 28

Important: Do not open the hardware product. Opening the hardware product may cause damage that is not covered by

this warranty. Only Apple or an authorized service provider

should perform service on this hardware product.

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Similarly, the Extended Warranty warns consumers that coverage is
 excluded for damage "caused by accident, abuse, neglect, misuse (including faulty
 installation, repair or maintenance by anyone other than Apple or an Apple
 Authorized Service Provider), [and] unauthorized modification, . . ." Exhibit 2 ¶
 1(b)(ii) (emphasis added).

30. Plaintiffs are informed and believe that Apple has taken other steps to
prevent consumers from opening (hence inspecting or performing repairs on) Class
Devices, such as using screws that can only be turned with special screwdrivers
possessed by technicians authorized by Apple to perform repairs on Class Devices.
See, e.g., Jordan Yerman, "Apple Screws Customers With Pentalobe iPhone Screws,"
NowPublic (Jan. 21, 2011) (available at http://www.nowpublic.com/tech-biz/applescrews-customers-pentalobe-iphone-screws-2749740.html).

- $\mathbf{13}$ 31. Consistent with Apple's efforts to dissuade and prevent Plaintiffs and members of the proposed class from opening their Class Devices is Apple's course of 14 15 performance under the Standard Warranty and Extended Warranty agreements, 16 which reflects Apple's understanding, interpretation, and application of those 17 agreements. In the course of performing those agreements, Apple did not (and does 18 not) require consumers to establish the cause of the problem underlying their warranty claim or the existence of a defect, but, rather, has its service personnel 19 20 perform inspections, which normally consisted of examining the external Liquid 21 Submersion Indicators and the exterior condition of Class Devices and make a $\mathbf{22}$ decision whether to provide a cost-free repair or replacement on that basis.
- 32. As a result of the foregoing conduct, including Apple's refusal to allow
 consumers to witness inspections of their Class Devices (on the rare occasions that
 customers have been able to persuade Apple to actually conduct them) and its
 efforts to prevent consumers from opening their Class Devices, and by advising
 consumers that a triggered Liquid Submersion Indicator means that they are not
 entitled to cost-free repair or replacement of their Class Device because they had

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caused damage by exposing it to liquid, Apple has waived and is estopped from 1 2 asserting that Plaintiffs or proposed class members were obligated to establish the 3 existence of a defect before being entitled to coverage under the Standard Warranty or the Extended Warranty. Allowing Apple to make that assertion now would work 4 5 an injustice by allowing Apple to contradict its prior conduct and representations of fact after Plaintiffs and the proposed class relied on them to their detriment, by 6 7 *inter alia*, relinquishing their Class Devices to Apple as a condition to purchasing a 8 replacement Class Device at a "discount" price.

9

"OUT OF WARRANTY SERVICE"

10 33. iPhone owners who wish to use their iPhone's telephonic features 11 must enter into two-year wireless service contracts with AT&T or, as of January 12 2011, Verizon, and must pay their wireless carrier a substantial fee if they 13 terminate their wireless service contract before the two-year period ends. 14 Consequently, consumers who are denied warranty coverage for a malfunctioning or non-functional iPhone must either (a) bear the cost of replacing or repairing their 15 16 iPhone to avoid having to pay monthly wireless bills for an iPhone that is partially 17 or fully non-functional, or (b) forego replacing or repairing their iPhone and pay the 18 early-termination fee charged by AT&T, and forfeit investments they have made in 19 their iPhone (e.g., accessories, applications, digital media) or, to the extent that they 20 are not completely non-functional as telephones, to continue using malfunctioning 21 Class Devices.

34. Plaintiffs are informed and believe that, to quell the complaints of
consumers who were refused warranty coverage under the Liquid-Damage
Exclusion, Apple quietly began offering to sell replacement Class Devices to
consumers whose warranties had been voided as a result of its use of Liquid
Submersion Indicators at the reduced price (\$199 for replacement iPhones and \$149
for replacement iPod touch devices), and arranged for consumers to replace their
iPhones without the need to extend or renew their wireless-service contracts.

Plaintiffs are informed and believe that Apple formalized this policy (which it calls
 "out of warranty service") and announced it to the general public in or about May
 2009.

35. As a condition to being permitted to purchase a replacement iPhone at 4 5 the reduced price, consumers were (and are) required to relinquish their current iPhone to Apple without compensation. Although this "out-of-warranty service" 6 7 option is explained at page 3 of an Apple document titled "iPhone Service: Frequently Asked Questions," Apple does not explain why—or even mention that— 8 9 the offer is conditioned on consumers relinquishing their current iPhone to Apple 10 without being compensated for it. A copy of that document is attached hereto as 11 Exhibit 6.

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PLAINTIFFS' EXPERIENCE WITH TRIGGERED LIQUID SUBMERSION INDICATORS Charlene Gallion

14 36. Plaintiff Charlene Gallion's experience is typical of those she seeks to
15 represent in this action. Ms. Gallion purchased an iPhone 3G from an Apple store
16 located in Corte Madera, California, on or about September 18, 2008. In or about
17 March 2009, she noticed that her iPhone was not functioning properly initially, and
18 it then ceased functioning.

19 37. Shortly after it ceased functioning, Ms. Gallion took her iPhone to a
20 local Apple store and spoke with an Apple customer service representative about
21 obtaining a free repair or replacement under the Standard Warranty. The Apple
22 representative to whom Ms. Gallion presented her iPhone for repair examined it for
23 a few minutes and verified that it would not function. The Apple representative
24 then advised her that she was not entitled to a cost-free repair or replacement of her
25 iPhone.

26 38. The Apple representative advised Ms. Gallion that her iPhone's
27 warranty was void because an external Liquid Submersion Indicator had been
28 triggered. Ms. Gallion explained that her iPhone had not been immersed in liquid,

but the Apple representative insisted that her iPhone had been damaged by liquid
 because the device's external Liquid Submersion Indicator had turned pink, and
 advised Ms. Gallion that it would not have done so unless her iPhone had been
 damaged by exposure to liquid.

39. Ms. Gallion asked the Apple representative if it was possible that
something else had caused her iPhone to fail. The Apple representative remained
steadfast, and insisted that the external Liquid Submersion Indicator could only be
triggered by exposure to a "significant" amount of liquid, such as being dropped into
a toilet or a glass of water.

40. Although confident her iPhone had not been damaged due to exposure
to liquid, Ms. Gallion had no way to refute the Apple representative's repeated
assertion that the Liquid Submersion Indicator was accurate and that it had
determined her iPhone had been immersed in liquid.

41. After further discussion, the Apple representative offered to sell Ms.
Gallion a replacement at a discounted price, provided she pay the tax on the full
retail price of a new iPhone and relinquish her existing iPhone as a "trade in"—*i.e.*,
without compensation. Accordingly, Ms. Gallion purchased a replacement iPhone
3G, paid the sales tax in full, and "traded in" her existing phone.

42. Approximately six months later, Ms. Gallion's replacement iPhone
began malfunctioning. Once again, she brought her iPhone to a local Apple store for
service and, once again, was told by an Apple representative that her warranty was
invalid because the Liquid Submersion Indicators indicated that her iPhone had
sustained water damage.

24 43. Although Ms. Gallion knew that her iPhone had not been submersed in
25 liquid, much less sustained damage, she recognized the futility of further discussion
26 in that regard.

44. Ms. Gallion was left to decide whether to abandon the investment she
had made in her iPhones (and the accessories, applications, and other media that

-12-Master Complaint for Equitable Relief and Damages (Case No. CV-10-01610) pertained to it) or to purchase another replacement. Ms. Gallion opted for the latter,
 and purchased a second replacement iPhone on or about September 19, 2009.

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Christopher Corsi

45. Plaintiff Christopher Corsi purchased an iPhone 3G from an Apple store located in Marlton, New Jersey, on April 8, 2009. In November 2009, after using his iPhone in the intended manner for approximately seven months, Mr. Corsi's iPhone developed operating problems and would no longer power on.

8 46. On November 5, 2009, shortly after it ceased functioning, Mr. Corsi
9 took his iPhone to the local Apple store in Marlton, New Jersey, for warranty repair
10 or replacement. The Apple representative advised Mr. Corsi that his iPhone's
11 warranty was void because an external Liquid Submersion Indicator had been
12 triggered.

 $\mathbf{13}$ 47. Mr. Corsi explained to the Apple representative that his iPhone had 14 not been immersed in liquid. He insisted that the representative open the iPhone to 15 examine the internal components to confirm that it had not been damaged by liquid. 16 48. Because Mr. Corsi had insisted \mathbf{SO} steadfastly, the Apple 17 representative ultimately opened Mr. Corsi's iPhone and confirmed that no internal 18 Liquid Submersion Indicator had been triggered and that there was no evidence of 19 liquid ingress. Nevertheless, the Apple representative refused to honor Mr. Corsi's 20 warranty claim due to Apple's policy of denying coverage if a Liquid Submersion 21 Indicator has been triggered.

49. After further discussion, the Apple representative offered to sell
Plaintiff a replacement iPhone at a discounted price, provided that Mr. Corsi
relinquish his existing iPhone as a "trade-in"—*i.e.*, without compensation—just as
Apple had done with Ms. Gallion. Given that his only apparent option was to
abandon the investment he had made in his iPhone, Mr. Corsi complied with the
terms Apple demanded, relinquished his iPhone and purchased a replacement
iPhone 3G for a "discounted" price of \$199, plus tax.



Daniel Calix

2 50. Plaintiff Daniel Calix purchased an iPhone 3GS from Best Buy in
3 Baton Rouge, Louisiana, on or about July 3, 2009. In or about June 2010, Mr.
4 Calix's iPhone ceased functioning, so he took it to a local Apple store for a free
5 repair or replacement under the Standard Warranty. (Mr. Calix also purchased an
6 Extended Warranty from Apple, whose coverage continued through June 2011.)

7 51. The Apple representative advised Mr. Calix that he was not entitled to
8 a cost-free repair or replacement of his iPhone because an external Liquid
9 Submersion Indicator had indicated that it had been damaged by liquid, rendering
10 his warranty void. The Apple representative informed Mr. Calix that it was Apple's
11 corporate policy and practice to deny warranty claims when an external Liquid
12 Submersion Indicator had been triggered.

 $\mathbf{13}$ 52.Mr. Calix advised the Apple representative that his iPhone had never 14 been submersed, immersed or otherwise exposed to liquid. Nonetheless, the Apple 15 representative advised Mr. Calix that the only way he could obtain a replacement 16 for his iPhone was by paying Apple \$199 and relinquishing the non-functioning 17 iPhone in exchange for the replacement. Mr. Calix declined to pay for a replacement 18 (which could be new or refurbished) and chose instead to replace his nonfunctioning iPhone with an iPhone 4 for which he paid the full (i.e., non-"discount") 19 20 price.

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Raj Johal

22 53. Plaintiff Raj Johal purchased an iPod touch from an Apple store in
23 Bellevue, Washington, on or about February 9, 2010. Less than 90 days later, in
24 March 2010, Mr. Johal's iPod ceased functioning and the battery would not take a
25 charge, so he brought it to the Apple store at Bellevue Square Mall in Bellevue,
26 Washington, for repair or replacement under warranty.

27 54. When Mr. Johal presented his iPod to an Apple representative, the
28 Apple representative tested the iPod to determine whether its battery could be

FAZIO MICHELETTI LLP Attorneys

⁻¹⁴⁻Master Complaint for Equitable Relief and Damages (Case No. CV-10-01610)

charged. When the battery would not take a charge, the Apple representative used
an instrument to look inside the headphone jack and advised Mr. Johal that the
"special filter paper" (*i.e.*, the Liquid Submersion Indicator) had turned red, which
meant that Mr. Johal had damaged it by submerging it in liquid and that his iPod's
warranty was, therefore, void.

6 55. Mr. Johal explained to the Apple representative that it was not
7 possible for his iPod to have been damaged by liquid because the only place he had
8 used it was in his house, and it had never gotten wet, much less submerged in
9 liquid. Mr. Johal also pointed out that he had taken excellent care of his iPod,
10 which was why it was still in pristine condition, notwithstanding that its battery
11 would no longer take a charge.

12 56. The Apple representative insisted that Mr. Johal's iPod had been
13 damaged by liquid and invited Mr. Johal to look at the Liquid Submersion Indicator
14 with the instrument he had used, so that he could see for himself that it had been
15 "damaged." Mr. Johal insisted that his iPod had not been damaged, regardless of
16 what color the "special filter paper" had turned. The Apple representative
17 responded by advising Mr. Johal that he had two choices: "You either buy a new
18 one at a discount, or take your old one back and leave."

19 57. Mr. Johal knew he had not damaged his iPod, and his work as a 20 Certified Fraud Examiner told him that Apple's demand was wrongful. Apple left 21 him with no prospect of proving a negative and convincing the Apple representative 22 to provide warranty coverage notwithstanding the representative's insistence that 23 the triggered Liquid Submersion Indicator proved Mr. Johal's iPod had been $\mathbf{24}$ damaged by liquid. As a result, Mr. Johal decided that continuing to argue with the $\mathbf{25}$ Apple representative would be unavailing and that losing his investment in his iPod 26 was unacceptable. Accordingly, he acceded to Apple's demand and purchased a $\mathbf{27}$ replacement iPod touch at a "discount" (approximately \$149, plus tax).

1	58. After attempting to solve the problem by submitting a request to Apple
2	via its website to no avail, Mr. Johal filed a complaint with the Consumer
3	Protection Division of the Washington Attorney General's office on or about May 19,
4	2010. There, Mr. Johal explained that Apple's refusal to honor its warranty
5	obligations was wrongful, and that the only way his iPod's Liquid Submersion
6	Indicator could have been triggered was by the weather conditions in the
7	Northwest, which were ordinary and foreseeable when Apple sold the iPod to him.
8	59. Apple responded to the complaint on or about June 17, 2011. There,
9	Apple recited the terms of coverage and the Liquid-Damage Exclusion provision of
10	its Standard Warranty, and provided the following explanation for its refusal to
11	honor Mr. Johal's warranty claim:
12	Apple records confirm Mr. Johal purchased his iPod touch on February
13	9, 2010, and that it is covered by the Apple One-Year Limited Warranty — iPod and iSight. Prior to submitting his letter to the
14	Attorney General of Washington, Consumer Protection Division, on May 4, 2010, Mr. Johal took his iPod touch to the Apple Store, Bellevue
15	Square, for an issue with the iPod not responding. A careful examination of the iPod by the store revealed liquid damage to
16	the unit, which Apple does not attribute to a manufacturer's defect. This issue is one that is the result of an accident, abuse,
17	<i>misuse, or misapplication</i> . Because Mr. Johal's iPod was not eligible for warranty service, the store provided Out-of-Warranty service,
	replacing the unit. Apple maintains our previous decision to decline
18	Mr. Johal's request far warranty service, based on the Apple Store's evaluation of the iPod touch and the terms and conditions of the Apple
19	One-Year Limited Warranty.

20 (Emphasis added.)

 $\mathbf{21}$ 60. Looking into the iPod's headphone jack to determine whether the 22 Liquid Submersion Indicator had been triggered was the only "inspection" that 23 Apple's representative conducted at the Apple store before Mr. Johal's warranty $\mathbf{24}$ claim was denied. Plaintiffs are informed and believe that Liquid Submersion 25 Indicators frequently give false-positive results in that they can be, and are, 26 triggered by humidity and other climatic conditions as well as by ordinary, readily 27 foreseeable use of a Class Device, and that Liquid Submersion Indicators cannot 28 determine the existence of damage to an electronic device in any event. Therefore,

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Apple's representation to the Washington Attorney General's office that a "careful inspection of the iPod by the store revealed liquid damage to the unit" and that the problem Mr. Johal encountered with his iPod was due to "an accident, abuse, misuse, or misapplication" was patently false, and Apple knew that those representations were false when it made them.

6 61. Plaintiffs' experience with Apple is typical of the experience other
7 owners of Class Devices have had with Apple, whose conduct has forced consumers
8 to bear the cost of repairing or replacing devices that Apple should have provided,
9 and should be providing, free of charge under the Standard Warranty and the
10 Extended Warranty.

11 62. By virtue of the foregoing conduct, including, but not limited to, the 12 enforcement of Apple's corporate policies and its misrepresentations and omissions 13 of material facts about the true nature, purpose, and accuracy of the Liquid 14 Submersion Indicators, the right to coverage under the Standard Warranty and the 15 Extended Warranty is rendered illusory. As a result of Apple's improper application 16 of the Liquid-Damage Exclusion, Apple sells Class Devices with the intent to 17 exclude them from the warranty coverage Apple promises consumers it will 18 provide—even when consumers pay extra for Extended Warranty coverage—simply 19 because their Liquid Submersion Indicator has been triggered. As a result of its 20 policy of denying coverage whenever a Liquid Damage Indicator is triggered, Apple 21 represented to Plaintiffs that they had damaged their Class Devices by exposing $\mathbf{22}$ them to liquid without making any attempt to physically inspect the circuitry and 23 other internal components of the Class Device to verify whether it had actually been damaged by liquid. 24

25 63. Accordingly, Plaintiffs bring this action on behalf of themselves and all
26 others similarly situated for the purpose of obtaining a judicial declaration that the
27 manner in which Apple applies the Liquid-Damage Exclusion to the Standard
28 Warranty and the Extended Warranty is unconscionable and violates the public

⁻¹⁷⁻Master Complaint for Equitable Relief and Damages (Case No. CV-10-01610)

policy of the State of California, and obtaining an order enjoining Apple from 1 continuing to implement and enforce the policies that lead to its improper 2 3 application of the Liquid-Damage Exclusion; to recover the sums Plaintiffs and members of the proposed class have expended on repair and/or replacement of Class 4 5 Devices as a result of Apple's improper application of the Liquid-Damage Exclusion; and to provide cost-free repair or replacement to members of the proposed class who 6 7 were denied warranty coverage as a result of Apple's improper application of the 8 Liquid-Damage Exclusion and have yet to repair or replace their Class Devices.

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STATUTES OF LIMITATION

10 64. Any applicable statutes of limitation have been tolled by Apple's 11 knowing and active concealment of the information it possessed about the true 12 nature, purpose and characteristics of the Liquid Submersion Indicators it installs 13 on Class Devices, the true nature and scope of its Standard and Extended Warranty 14 agreements, and by its false and misleading representations with respect to its 15 application of the Liquid-Damage Exclusion. Apple has kept Plaintiff and the 16 members of the proposed class ignorant of vital information essential to the pursuit 17 of these claims, without any fault or lack of diligence on their part. Plaintiff and 18 members of the proposed class could not reasonably have discovered this 19 information or what Apple knew about any of the issues and facts described herein.

20 65. Apple was, and is, under a duty to disclose the true nature, purpose, 21 and characteristics of the Liquid Submersion Indicators installed in class Devices 22 and the true nature, scope, and coverage of its Standard and Extended Warranty 23 Despite that duty, Apple knowingly, affirmatively, and actively agreements. 24 concealed the facts alleged herein, and the concealment is ongoing. Because, *inter* 25 alia, Apple took steps to conceal such information, Plaintiff and members of the 26 class did not discover and could not have discovered these facts through the exercise 27 of reasonable diligence.

66. Based on the foregoing, Apple is estopped from relying on any statues
 of limitation in defense of this action. The causes of action alleged herein did or will
 accrue only upon discovery of the facts alleged herein and Apple's fraudulent
 concealment thereof.

CHOICE OF LAW

67. 6 This Court properly can and should apply California law to all of the 7 claims and issues asserted herein. Class Devices are designed in California, and 8 Apple is incorporated in and has its principal place of business in California, from 9 which the decisions and the conduct giving rise to the substantive allegations in this 10 Complaint have emanated. California thus has a strong connection to, and a 11 compelling interest in adjudicating, the claims Plaintiffs have alleged on behalf of 12 themselves and each member of the proposed class, and no state has a greater 13 interest than California in having its law apply to this case.

14 68. In addition, the Apple Repair Agreement and the Extended Warranty 15 both contain choice-of-law provisions that call for the application of California law 16 to disputes arising thereunder. The Repair Agreement's choice-of-law provision 17 states that its "Terms and Conditions are governed by the laws of the State of 18 California (without giving effect to its conflict of law provisions)." Exhibit 3 ¶ 9. 19 The Extended Warranty's choice-of-law provision states that, "[e]xcept where 20 prohibited by law, the laws of the state of California govern [Extended Warranties] 21 purchased in the United States." Exhibit 2 ¶ 7.n.

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CLASS ALLEGATIONS

23 69. Plaintiff brings this class action pursuant to Federal Rule of Civil
24 Procedure 23 and, to the extent applicable, the provisions of and California Civil
25 Code section 1781, on behalf of herself and all other persons similarly situated.

26 70. The class that Plaintiff seeks to represent is defined as follows: All
27 persons who reside in the United States who (a) own a Class Device that is covered
28 by the Standard Warranty or the Express Warranty; and/or (b) own or once owned

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a Class Device whose Standard Warranty or Extended Warranty was voided after
 Apple denied warranty coverage for its repair or replacement because a Liquid
 Submersion Indicator had been triggered, without determining whether the Class
 Device had actually been damaged by liquid.

- 5 71. Plaintiff also seeks to represent a subclass that includes each member
 6 of the proposed class described in Paragraph 70, above, who is a "consumer," as that
 7 term is defined by California Civil Code section 1761(d), or purchased "goods" or
 8 "consumer goods," as those terms are defined by California Civil Code sections 1761(a)
 9 and 1791(a), respectively (the "Consumer Subclass").
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72. Excluded from the class are the following:

a. Apple, its subsidiaries, affiliates, officers, directors, and employees;

b. persons who have settled with and validly released Apple from
separate, non-class legal actions against Apple based on the conduct alleged herein;

14 c. counsel, and the immediate families of counsel, who represent Plaintiff
15 in this action;

16 d. the judge presiding over this action;

17 e. jurors who are impaneled to render a verdict on the claims alleged in18 this action; and

19 f. persons who purchased an Extended Warranty in Colorado or in Florida
20 and made a claim pursuant to the Extended Warranty.

21 73. Plaintiffs are informed and believe that the proposed class comprises
22 millions of members. The class is, therefore, so numerous and geographically
23 dispersed that joinder of all members in one action is impracticable.

- 24 74. Apple has acted with respect to Plaintiff and members of the proposed
 25 class in a manner generally applicable to each of them. There is a well-defined
 26 community of interest in the questions of law and fact involved, which affect all
 27 class members. The questions of law and fact common to the class predominate
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over the questions that may affect individual class members, including the 1 2 following: 3 whether Liquid Submersion Indicators produce false-positive a. results; 4 5 b. whether Liquid Submersion Indicators are designed to produce 6 false-positive results; 7 c. whether and when Apple knew Liquid Submersion Indicators 8 produce false-positive results; d. 9 whether the representations Apple has made about the nature, 10 purpose, and accuracy of Liquid Submersion Indicators are false; 11 whether Apple used Liquid Submersion Indicators as a means of e. 12 avoiding its obligations under the Standard Warranty and/or Extended Warranty; $\mathbf{13}$ f. whether Apple used Liquid Submersion Indicators to profit from 14 Plaintiffs and members of the proposed class by representing that a triggered 15 Liquid Damage Indicator proved that a Class Device had been damaged by liquid 16 and by demanding that Plaintiffs and proposed class members either (i) pay full 17 price for a replacement or (ii) relinquish their Class Devices to Apple and pay a 18 "discounted" price for a replacement. 19 whether Apple breached the Standard Warranty by denying g. 20 warranty claims based solely on a triggered Liquid Submersion Indicator; 21 h. whether Apple breached the Extended Warranty by denying 22 warranty claims based solely on a triggered Liquid Submersion Indicator; 23 whether the Standard Warranty and Extended Warranty i. 24 agreements require, in accordance with the parties' course of performance, that $\mathbf{25}$ Apple repair or replace Plaintiffs' and proposed class members' Class Devices with 26 no obligation on the part of Plaintiffs or proposed class members to demonstrate the 27 existence of a defect in their Class Devices; 28 -21-

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j. whether the terms of the Standard Warranty agreement has
been modified as a result of the course of Apple's performance under that
agreement;

4 k. whether the terms of the Extended Warranty agreement has
5 been modified as a result of the course of Apple's performance under that
6 agreement;

7 1. whether Apple waived the right to contend that Plaintiffs or
8 proposed class members were or are required to demonstrate the existence of a
9 defect in their Class Device as a prerequisite to establishing that Apple breached
10 the Standard Warranty or the Extended Warranty;

m. whether Apple is equitably estopped from contending that
Plaintiffs or proposed class members were or are required to demonstrate the
existence of a defect in their Class Device as a prerequisite to establishing that
Apple breached the Standard Warranty or the Extended Warranty;

n. whether Apple breached the covenant of good faith and fair
dealing by using triggered Liquid Submersion Indicators to frustrate Plaintiffs' and
proposed class members' rights to the benefits under the Standard Warranty;

o. whether Apple breached the covenant of good faith and fair
dealing by using triggered Liquid Submersion Indicators to frustrate Plaintiffs' and
proposed class members' rights to the benefits under the Extended Warranty;

21 p. whether Apple was, and is, under a duty to disclose information
22 about the true nature and purpose of the Liquid Submersion Indicators;

23 q. whether Apple intentionally withheld, failed to disclose, and/or
24 intentionally concealed information about the Liquid Submersion Indicators;

r. whether relying on the Liquid Submersion Indicators to treat
the Standard Warranty and the Extended Warranty as void is unconscionable
under the circumstances alleged herein;

28

s.

whether Apple is subject to liability for common-law fraud;

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1	t. whether Apple is subject to liability for violating the Consumers		
2	Legal Remedies Act ("CLRA"), Cal. Civ. Code §§ 1750-1784;		
3	u. whether Apple's conduct has violated the Unfair Competition		
4	Law ("UCL"), Cal. Bus. & Prof. Code §§ 17200-17209;		
5	v. whether Apple's conduct has violated the False Advertising Law		
6	("FAL"), Cal. Bus. & Prof. Code §§ 17500-17536;		
7	w. whether Apple's conduct has violated the Song-Beverly		
8	Warranty Act, Cal. Civ. Code §§ 1790-1793.2;		
9	x. whether Apple has been unjustly enriched as a result of its		
10	fraudulent conduct, such that it would be inequitable for Apple to retain the		
11	benefits conferred upon it by Plaintiffs and the proposed class;		
12	y. whether Plaintiffs' claims satisfy the criteria for class		
13	certification under Federal Rule of Civil Procedure 23 and, to the extent applicable,		
14	California Civil Code section 1781;		
15	z. whether compensatory or consequential damages should be		
16	awarded to Plaintiffs and members of the proposed class;		
17	aa. whether punitive damages should be awarded to Plaintiffs and		
18	members of the proposed class;		
19	bb. whether restitution should be awarded to Plaintiffs and		
20	members of the proposed class;		
21	cc. whether other, additional relief is appropriate, and what that		
22	relief should be.		
23	75. Plaintiffs' claims are typical of the claims of all members of the class		
24	they propose to represent in this action.		
25	76. Plaintiffs will fairly and adequately represent and protect the interests		
26	of the class, and do not have interests that are antagonistic to or in conflict with		
27	those they seek to represent.		
28			
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77. Plaintiffs have retained counsel who have extensive experience in the prosecution of class actions and other forms of complex litigation.

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78. In view of the complexity of the issues and the expense that an individual plaintiff would incur if she or she attempted to obtain relief from a large, transnational corporation such as Apple, the separate claims of individual class members are monetarily insufficient to support separate actions. Because of the size of the individual class members' claims, few, if any, class members could afford to seek legal redress for the wrongs complained of in this Complaint.

9 79. The class is readily definable, and prosecution as a class action will
10 eliminate the possibility of repetitious litigation and will provide redress for claims
11 too small to support the expense of individual, complex litigation. Absent a class
12 action, class members will continue to suffer losses, Apple's violations of law will be
13 allowed to proceed without a full, fair, judicially supervised remedy, and Apple will
14 retain sums received as a result of its wrongdoing. A class action will provide a fair
15 and efficient method for adjudicating this controversy.

16 80. The prosecution of separate claims by individual class members would
17 create a risk of inconsistent or varying adjudications with respect to thousands of
18 individual class members, which would, as a practical matter, dispose of the
19 interests of the class members not parties to those separate actions or would
20 substantially impair or impede their ability to protect their interests and enforce
21 their rights.

22 81. The proposed class satisfies the certification criteria of Federal Rule of
23 Civil Procedure 23 and, to the extent applicable, California Civil Code section 1781.

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CLAIMS FOR RELIEF 2 FIRST CLAIM FOR RELIEF 3 (Declaratory Relief) Plaintiffs reallege and incorporate by reference the allegations set forth 82. 4 in each of the preceding paragraphs of this Complaint. 6 83. Pursuant to Federal Rule of Civil Procedure 57, Plaintiffs seek a 7 declaration of the parties' rights and duties. Among the unfair, fraudulent, and unlawful conduct Plaintiffs have 8 84. 9 alleged in this Complaint is Apple's decision to equip Class Devices with Liquid 10 Submersion Indicators that provide false-positive results, thereby enabling Apple to use the Liquid-Damage Exclusion provision of its Standard and Extended Warranty 12 agreements as a means of avoiding its obligations under those warranties and to deny 13 consumers the right to obtain cost-free repairs or replacements of their class Devices. 14 85. Plaintiffs allege that, under the circumstances alleged herein, the manner in which Apple has applied, and continues to apply, the Liquid-Damage 16 Exclusion is unconscionable under, e.g., California Civil Code sections 1670.5 and 17 1770(a)(19), and that Apple's efforts to limit its contractual obligations violates the 18 public policy of the State of California, as articulated at, *inter alia*, California Civil 19 Code sections 1667 and 1668. The Standard Warranty and the Extended Warranty 20 agreements at issue in this lawsuit are contracts of adhesion and, as applied by Apple, 21 the Liquid-Damage provisions of those agreements are unduly oppressive, particularly

22 when considered in light of the parties' grossly unequal bargaining power.

23 86. Plaintiffs are informed and believe Apple will dispute these allegations. $\mathbf{24}$ Therefore, an actual controversy has arisen and now exists between Apple and $\mathbf{25}$ Plaintiffs and the proposed class. Accordingly, Plaintiffs hereby request a judicial 26 declaration of the rights and duties of the parties with respect to each of the 27 foregoing issues in controversy, including, but not limited to, an order declaring (a) 28 that Apple, as the proponent of the Liquid-Damage Exclusion, bears the burden of



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1	proving that a Class Device was actually damaged by liquid before it can validly	
2	deny coverage under the Standard Warranty or Extended Warranty agreements;	
3	(b) that a triggered Liquid Submersion Indicator is not (and was not) a sufficient	
4	basis on which to invoke the Liquid-Damage Exclusion unless a physical inspection	
5	of the Class Device establishes that it was actually damaged by liquid; and (c) that,	
6	if Apple cannot establish that a Class Device was actually damaged, the coverage	
7	period applicable to that Class Device is tolled from the date on which Apple denied	
8	coverage based on a triggered Liquid Submersion Indicator until the date on which	
9	owners of those Class Devices receive notification that Apple's invocation of the	
10	Liquid-Damage Exclusion was not valid.	
11	SECOND CLAIM FOD DELIFE	
12	SECOND CLAIM FOR RELIEF (Breach of Express Warranty)	
13	87. Plaintiffs reallege and incorporate by reference the allegations set forth	
14	in each of the preceding paragraphs of this Complaint.	
15	88. Apple's Standard Warranty and Extended Warranty agreements state,	
16	in relevant part, that they protect Class Devices "against defects in materials and	
17	workmanship under normal use." The terms of the Standard and Extended	
18	Warranty agreements obligate Apple to "either (1) repair the hardware defect at no	
19	charge, using new parts or parts equivalent to new in performance and reliability,	
20	(2) exchange the product with a product that is new or equivalent to new in	
21	performance and reliability and is at least functionally equivalent to the original	
22	product, or (3) refund the purchase price of the product." Apple's Standard	
23	Warranty and Extended Warranty are express warranties under California law.	
24	89. The purchase price of Class Devices includes the Standard Warranty	
25	described herein, which is part of the basis of the bargain. Apple sells the Extended	
26	Warranty to class members for an additional fee.	
27	90. The Standard Warranty and the Extended Warranty contain an	
28	implied covenant of good faith and fair dealing that Apple would not do anything	
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1 that would have the effect of injuring the right of Plaintiffs and proposed class
2 members to receive the benefits of those agreements.

3 91. Apple breached, and continues to breach, its express warranties and
4 the implied covenant of good faith and fair dealing by engaging in the conduct
5 alleged herein.

6 92. Plaintiffs timely provided Apple with written notice of its breaches of
7 warranty by certified mail, and thereby provided Apple with an opportunity to correct
8 or otherwise rectify the problems alleged herein before this Complaint was filed.
9 Apple did not avail itself of that opportunity.

93. Plaintiffs and proposed class members have been and continue to be
damaged by Apple's breach of its express warranties because Plaintiffs and class
members have paid for repairs to Class Devices or have spent money to buy
replacement Class Devices that should have been covered by Apple or a different
device from one of Apple's competitors. Furthermore, as a result of Apple's breach of
its express warranties, Plaintiff and class members have suffered damages in an
amount to be determined at trial.

17 94. Therefore, Plaintiffs and the other class members are entitled to legal
18 and equitable relief against Apple, including damages, specific performance,
19 rescission, restitution, attorneys' fees, costs of suit, and other relief, as appropriate.

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THIRD CLAIM FOR RELIEF (Violations of the Song-Beverly Consumer Warranty Act)

22 95. Plaintiffs reallege and incorporate by reference the allegations set forth
23 in each of the preceding paragraphs of this Complaint.

96. Class Devices are "consumer goods" under Civil Code section 1791(a).

97. Plaintiffs are "buyers" under Civil Code section 1791(b).

26 98. Apple's Standard Warranty is an "express warranty" under Civil Code
27 section 1791.2, and the Extended Warranty is an express warranty as well as a
28 service contract under Civil Code sections 1791.2 and 1794.4.

99. Apple breached and continues to breach its express warranties, and
 the covenant and good faith and fair dealing, by engaging in the conduct alleged
 herein. Plaintiffs, on behalf of themselves and the proposed class, have notified
 Apple of the breach within a reasonable time.

5 100. Plaintiffs and proposed class members have been and continue to be 6 damaged by Apple's breach of its express warranties because Plaintiffs and 7 proposed class members have paid for repairs to Class Devices or have spent money 8 to buy replacement Class Devices that should have been covered by Apple or on a different device sold by one of Apple's competitors. Furthermore, as a result of 9 10 Apple's breach of its express warranties and the implied covenant of good faith and 11 fair dealing, Plaintiffs and proposed class members have suffered damages in an 12 amount to be determined at trial. Therefore, Plaintiffs and members of the 13 proposed class are entitled to legal and equitable relief against Apple, including 14 damages, specific performance, rescission, restitution, attorneys' fees, costs of suit, 15 and other relief, as appropriate.

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FOURTH CLAIM FOR RELIEF (Fraud)

18 101. Plaintiffs reallege and incorporate by reference the allegations19 contained in preceding paragraphs of this Complaint.

20 102. At all times relevant herein, Apple made misrepresentations of 21 material fact to Plaintiffs and the proposed class (a) regarding the true nature, 22 purpose, and accuracy of the Liquid Submersion Indicators; (b) regarding the scope, 23 characteristics, and availability of coverage the Standard Warranty and the 24 Extended Warranty; and (c) regarding the reasons for denying Plaintiffs and the 25 class they propose to represent coverage under its Standard and Extended 26 Warranty agreements, including but not limited to advising Plaintiff and members 27 of the class that their Class Devices had been damaged by liquid spill or submersion

1 when they had not. Apple knew those representations were false when it made
2 them.

- 3 103. Apple has also concealed material facts from Plaintiffs and the
 4 proposed class, including the following:
- a. that the Liquid Submersion Indicators do not accurately indicate that
 6 Class Devices have been damaged as a result of liquid spills or submersion in liquid;

b. that because the Liquid Submersion Indicators are not reliable
indicators of actual damage, Class Devices whose Liquid Submersion Indicators
have been triggered must be inspected by persons with expertise in conducting such
inspections for the purpose of determining whether the problems for which
consumers seek warranty coverage constitute damage caused by a spill or
submersion in liquid; and

c. that Apple equipped Class Devices with Liquid Submersion Indicators
and uses their false-positive readings to avoid its obligations under its Standard
and Extended Warranty agreements.

16 104. Apple had a duty to disclose these facts, regardless of the existence of 17 privity (see, e.g., Cal. Civ. Code § 1711), by virtue of (a) Apple's exclusive knowledge 18 about the reason it equipped Class Devices with Liquid Submersion Indicators, the 19 reliability of those indicators, its intention to rely on the false-positive results provided 20 by those indicators to void its Standard and Extended warranties, and its awareness 21 that Plaintiffs were not reasonably likely to discover these facts; (b) Apple's active $\mathbf{22}$ concealment of those facts from Plaintiffs and members of the class (by, inter alia, 23 making false representations about the nature, purpose, and accuracy of the Liquid 24 Submersion Indicators, the nature and scope of Apple's obligations under its Standard 25 and Extended Warranty agreements, and the reasons for denying warranty coverage, 26 and by enforcing a policy by which consumers are prohibited from recording or witnessing physical inspections of Class Devices); and (c) Apple's statutory and 27 28 common-law obligations to disclose material information to the consumers of Class



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Devices, as alleged herein. Plaintiffs would have acted differently if Apple had
disclosed this information to them and allowed them to make a fully-informed
decision before they purchased their original Class Devices, and before they
purchased the Class Devices they bought from Apple as replacements after Apple
represented that the warranty for their original Class Devices was void because the
external Liquid Submersion Indicators had been triggered.

7 105. Apple's misrepresentations of material fact are uniform, some of which
8 can be found in its warranty contracts and other documents comprising Exhibits to
9 this Complaint; others can be found in internal Apple documents that instruct
10 Apple personnel to deny warranty consumers' warranty claims if a Class Device's
11 Liquid Submersion Indicator has been triggered.

12 106. The facts Apple has concealed from consumers are similarly material13 and uniform.

14 107. Apple made the misrepresentations of material facts and omitted the
15 material facts alleged herein intentionally and/or recklessly, with the intention that
16 Plaintiffs and members of the class they propose to represent rely on them.
17 Plaintiffs and the proposed class relied on Apple's misrepresentations, and would
18 have acted differently had the omitted facts been disclosed to them.

19 108. As a proximate result of Apple's misrepresentations and concealment 20 and suppression of material facts, Plaintiffs and the proposed class have sustained 21 damage by, *inter alia*, (a) paying more for Class Devices than they would have paid if 22 Apple had not misrepresented and concealed the facts alleged herein; (b) paying for 23 an Extended Warranty that Apple did not intend to honor in the event that a Liquid 24 Submersion Indicator is triggered for reasons that have nothing to do with spills or $\mathbf{25}$ submersion in liquid; and (c) being forced to pay for the repair or replacement of Class 26 Devices while those devices were covered by a Standard or Extended Warranty as a 27 result of Apple's fraudulent refusal to honor its obligations under those agreements.

109. Because Apple engaged in the conduct alleged herein deliberately and
 with willful and malicious intent, Plaintiffs and the proposed class are entitled to an
 award of punitive damages. The total amount of damages suffered by Plaintiffs and
 the class will be proved at trial.

FIFTH CLAIM FOR RELIEF (Unfair and Deceptive Acts and Practices in Violation of the Consumers Legal Remedies Act)

7 110. Plaintiffs reallege and incorporate by reference the allegations set forth
8 in each of the preceding paragraphs of this Complaint.

9 111. This claim for relief is brought pursuant to the CLRA. Plaintiffs and
10 members of the Consumer Subclass are "consumers," as that term is defined by Civil
11 Code section 1761(d) because they bought Class Devices for personal, family, or
12 household purposes.

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112. Plaintiffs and members of the Consumer Subclass have engaged in a "transaction" with Apple, as that term is defined by Civil Code section 1761(e).

15 113. The conduct alleged in this Complaint constitutes unfair methods of
16 competition and unfair and deceptive acts and practices for the purposes of the CLRA,
17 and were undertaken by Apple in transactions intended to result in, and which
18 resulted in, the sale of goods to consumers.

19 114. By engaging in the conduct alleged in paragraphs 10 through 66 of this Complaint, Apple has violated subdivisions (a)(5), (a)(7), (a)(9), (a)(14), and (a)(19) of 20 21 California Civil Code section 1770 by, inter alia, misrepresenting and falsely 22 advertising that the price of Class Devices includes one year of coverage "against 23 defects in materials and workmanship under normal use" under the Standard 24 Warranty and that the Extended Warranty extends that coverage to two years 25 without disclosing Apple's policy of deeming warranty coverage void if a Liquid 26 Submersion Indicator was triggered, regardless of whether the Class Device in 27 question had actually been damaged by exposure to liquid.

In actuality, and unbeknown to Plaintiff and members of the proposed 1 115.2 class, Apple's Standard Warranty and Extended Warranty agreements were (and are) 3 illusory. By selling Class Devices with an illusory Standard Warranty and by selling Extended Warranty coverage that is equally illusory, Apple has represented, and 4 5 continues to represent, that Class Devices and the Standard Warranty and 6 Extended Warranty agreements that pertain to them have characteristics, uses and 7 benefits, or qualities that they do not have, and that they are of a particular standard, quality, or grade, when they are not, in violation of Civil Code section 8 9 1770, subsections (a)(5) and (a)(7).

10 116. By engaging in the conduct alleged herein, above, Apple has also 11 advertised, and continues to advertise, goods with the intent not to sell them as 12 advertised, in violation of California Civil Code section 1770(a)(9). Additionally, 13 Apple has violated and continues to violate subsections California Civil Code section 14 1770, subsections (a)(14) and (a)(19), by engaging in the conduct alleged herein, 15 including, but not limited to, inserting a Liquid-Damage Exclusion provision in its 16 Standard Warranty and its Extended Warranty that is unconscionable as applied 17 under the circumstances alleged herein; by voiding its Standard Warranty and its 18 Extended Warranty in an unconscionable manner; by failing to disclose that Apple 19 does not intend to honor the terms of its Standard Warranty and its Extended 20 Warranty if a Liquid Submersion Indicator is triggered; and by representing that the 21 sale of Class Devices and the sale of the Extended Warranty policies conferred $\mathbf{22}$ rights and remedies, which they did not.

23

Plaintiffs seek an order awarding actual damages and, because Apple 117. $\mathbf{24}$ engaged in the conduct alleged herein deliberately and with willful and malicious 25 intent, punitive damages. The total amount of damages suffered by Plaintiffs and the 26 class will be proved at trial.

27 Pursuant to Section 1782 of the CLRA, Plaintiffs provided Apple with 118. 28 written notice of its violations of the CLRA by certified mail, and thereby provided

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Apple with an opportunity to correct or otherwise rectify the problems alleged herein
 before this Complaint was filed. Apple did not avail itself of that opportunity.

3 Plaintiffs also seek an order enjoining Apple from violating by the 119. CLRA by continuing to rely on the Liquid Submersion Indicators as a basis for 4 denying coverage of Class Devices under the Standard Warranty and the Extended 5 Warranty without verifying whether Class Devices have actually been damaged by 6 7 liquid, and from making false representations regarding the nature, characteristics, 8 and scope of its Standard Warranty and Extended Warranty agreements, and that a triggered Liquid Submersion Indicator is sufficient to render void all applicable 9 10 warranties.

11 120. In addition, Plaintiffs seek an order extending the warranty on all Class
12 Devices pursuant to California Civil Code section 1780, subdivisions (a)(2) and (a)(5)
13 by tolling the coverage period applicable to that Class Device from the date on
14 which Apple denied coverage based on a triggered Liquid Submersion Indicator
15 until the date on which owners of those Class Devices receive notification that
16 Apple's invocation of the Liquid-Damage Exclusion was not valid.

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SIXTH CLAIM FOR RELIEF (Unlawful, Fraudulent, and Unfair Business Practices in Violation of the Unfair Competition Law)

19 121. Plaintiffs reallege and incorporate by reference the allegations set20 forth in each of the preceding paragraphs of this Complaint.

21 122. By committing the acts and practices alleged herein, Apple has
22 engaged in unlawful, fraudulent, and unfair business practices in violation of the
23 UCL:

a. Unlawful Conduct: As a result of engaging in the conduct alleged in
this Complaint, Apple has violated the UCL's proscription against engaging in
unlawful conduct by virtue of (i) its fraudulent and deceitful conduct in violation of
California Civil Code sections 1709 through 1711 (ii) its violations of the Consumers
Legal Remedies Act, California Civil Code sections 1770(a)(5), (a)(7), (a)(9), (a) (14),



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and (a)(19); (iii) its violations of the False Advertising Law, California Business &
 Professions Code sections 17500 through 17536; and (iv) its violations of the Song Beverly Consumer Warranty Act, Civil Code sections 1791 through 1793.2.

b. Fraudulent Conduct: Apple has violated the UCL's proscription
against fraud as a result of engaging in the fraudulent and deceitful conduct alleged
in paragraphs 10 through 66 of this Complaint.

c. Unfair Conduct: Apple has violated the UCL's proscription against
unfair conduct as a result of engaging in the conduct alleged in this Complaint, which
violates legislatively-declared policies articulated in, *inter alia*, California Civil Code
sections 1667, 1668, 1670.5, 1710, 1711, and 1770(a)(19).

11 123. Apple's violations of the UCL continue to this day. As a direct and
12 proximate result of Apple's violations of the UCL, Plaintiffs have suffered actual
13 damage in that, *inter alia*, they paid more for their Class Devices than they would
14 have had Apple not represented that its purchase price includes the Standard
15 Warranty and paid for replacement Class Devices (or devices sold by Apple's
16 competitors) because Apple refused Plaintiffs' requests that it provide them with a
17 cost-free repair or replacement pursuant to the Standard Warranty.

18 124.Pursuant to Section 17203 of the UCL, Plaintiffs and the class seek an order that (a) enjoins Apple from continuing to rely on Liquid Submersion 19 20 Indicators as a basis for denying coverage of Class Devices under the Standard 21 Warranty and Extended Warranty agreements; (b) requires Apple to honor the 22 terms of its Standard Warranty and Extended Warranty agreements; (c) enjoins 23 Apple from continuing to make false representations regarding the characteristics $\mathbf{24}$ and scope of its Standard Warranty and Extended Warranty agreements, and the $\mathbf{25}$ nature, purpose, and accuracy of Liquid Submersion Indicators; (d) compels Apple 26 to extend warranty coverage by tolling the coverage period from the date on which 27 Apple denied coverage based on a triggered Liquid Submersion Indicator until the 28 date on which Plaintiff and the class; and **(ii)** by adding the amount of coverage



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that remained as of the date of tolling (e.g., if six months of warranty coverage 1 remained as of the date on which Apple denied coverage, six months of coverage 2 3 would remain as of the date on which judgment is entered in favor of Plaintiff and the proposed class); (e) requires Apple to make full restitution of all moneys 4 5 wrongfully obtained from its violations of the UCL, as alleged in this Complaint; 6 and (f) requires Apple to pay the attorney fees and costs incurred by counsel for 7 Plaintiffs and the proposed class in accordance with California Code of Civil 8 Procedure section 1021.5.

SEVENTH CLAIM FOR RELIEF (Unjust Enrichment)

11 125. Plaintiffs reallege and incorporate by reference the allegations set
12 forth in each of the preceding paragraphs of this Complaint.

13 126. By engaging in the conduct described in this Complaint, Apple has 14 been unjustly enriched by, *inter alia*, (a) its sale of Class Devices at inflated prices 15 due to the ostensible inclusion of a one-year Standard Warranty, (b) the sale of 16 Extended Warranties; (c) avoiding the costs associated with complying with Class 17 Devices' Standard and Extended Warranty agreements; (d) charging consumers to 18 repair Class Devices while those devices were covered by Standard and/or Extended 19 Warranty agreements; (e) selling consumers replacement Class Devices while those 20 devices were covered by Standard and Extended Warranty agreements and (f) 21 requiring consumers to "trade in" their iPhones without providing them with any 22 compensation for it.

23 127. As a proximate result of Apple's conduct, Apple obtained secret profits
24 by which it became unjustly enriched at Plaintiffs' and the class Members' expense.
25 Under the circumstances alleged herein, it would be unfair for Apple to retain the
26 profits it has unjustly obtained at the expense of the Apple and the class.

27 128. Accordingly, Plaintiffs seek an order establishing Apple as a
28 constructive trustee of the profits that served to unjustly enrich Apple, together

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1	with interest during the period in which Apple has retained such funds, and	
2	requiring Apple to disgorge those funds to Plaintiffs and members of the proposed	
3	class in a manner to be determined by the Court.	
4	PRAYER FOR RELIEF	
5	WHEREFORE, Plaintiffs, on behalf of themselves and all others similarly	
6	situated, pray for relief in this Complaint as follows:	
7	1. For an order certifying that the action may be maintained as a class	
8	action, on behalf of the proposed class, the Consumer Subclass, and any other	
9	subclass(es) the Court may deem appropriate;	
10	AS TO THE FIRST CLAIM FOR RELIEF	
11	2. For a judicial declaration pursuant to Federal Rule of Civil Procedure	
12	57 that (a) Apple's efforts to limit its contractual obligations under the Standard	
13	Warranty and Extended Warranty agreements violate the public policy of the State	
14	of California for the reasons set forth in California Civil Code sections 1667 and 1668,	
15	and that such a limitation is unconscionable because the warranty agreements at	
16	issue in this lawsuit are contracts of adhesion, and because they are unduly	
17	oppressive, particularly when considered in light of the parties' radically unequal	
18	bargaining power; (b) that a triggered Liquid Submersion Indicator is not (and was	
19	not) a sufficient basis on which to invoke the Liquid-Damage Exclusion unless a	
20	physical inspection of the Class Device establishes that it was actually damaged by	
21	liquid; and (c) that if Apple cannot establish that a Class Device was actually	
22	damaged, the coverage period applicable to that Class Device is tolled from the date	
23	on which Apple denied coverage based on a triggered Liquid Submersion Indicator	
24	until the date on which owners of those Class Devices receive notification that	
25	Apple's invocation of the Liquid-Damage Exclusion was not valid;	
26		
27		
28		
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Attorneys	MASTER COMPLAINT FOR EQUITABLE RELIEF AND DAMAGES (CASE NO. CV-10-01610)	

1	AS TO THE SECOND CLAIM FOR RELIEF		
2	3. For an order providing Plaintiffs and the proposed class with legal and		
3	equitable relief against Apple, including damages, specific performance, restitution,		
4	attorney fees, costs of suit, and other relief as appropriate;		
5	AS TO THE THIRD CLAIM FOR RELIEF		
6	4. For an order providing Plaintiffs and the proposed class with legal and		
7	equitable relief against Apple, including damages, specific performance, restitution,		
8	attorneys' fees, costs of suit, and other relief, as appropriate;		
9	As to the Fourth Claim for Relief		
10	5. For an award of monetary damages, including but not limited to,		
11	compensatory, incidental and consequential damages commensurate with proof at		
12	trial for the acts complained of herein;		
13	6. For an award of punitive damages in an amount consistent with		
14	applicable statutes and precedent;		
15	As to the Fifth Claim for Relief		
16	7. For an order awarding damages pursuant to California Civil Code		
17	section 1780(a)(1);		
18	8. For an order pursuant to California Civil Code section 1780(a)(2)		
19	enjoining Apple from continuing to rely on Liquid Submersion Indicators as a basis		
20	for denying Standard and Extended Warranty coverage for Class Devices without		
21	confirming they have actually been damaged by liquid, and from making false		
22	representations regarding the nature, characteristics, and scope of its Standard and		
23	Extended Warranty agreements and the Liquid Submersion Indicators on Class		
24	Devices;		
25	9. For an order pursuant to California Civil Code section 1780,		
26	subdivisions (a)(2) and (a)(5) requiring Apple to extend the warranty on all Class		
27	Devices by tolling the coverage period applicable to that Class Device from the date		
28	on which Apple denied coverage based on a triggered Liquid Submersion Indicator		
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1	until the date on which owners of those Class Devices receive notification that		
2	Apple's invocation of the Liquid-Damage Exclusion was not valid;		
- 3	10. For an order awarding restitution pursuant to California Civil Code		
4	section 1780(a)(3);		
5	11. For an order awarding punitive damages pursuant to California Civil		
6	Code section 1780 (a)(4);		
7	AS TO THE SIXTH CLAIM FOR RELIEF		
8	12. For an order that (a) enjoins Apple from continuing to rely on the		
9	Liquid Submersion Indicators as a basis for denying coverage of Class Devices		
10	under the Standard Warranty and Extended Warranty agreements; (b) requires		
10	Apple to honor the terms of its Standard Warranty and Extended Warranty		
12	agreements; (c) enjoins Apple from continuing to make false representations		
13	regarding the characteristics and scope of its Standard Warranty and Extended		
14	Warranty agreements, and the nature, purpose, and accuracy of Liquid Submersion		
15	Indicators; (d) compels Apple to extend warranty coverage (i) by tolling the		
16	coverage period from the date on which Apple denied coverage based on a triggered		
17	Liquid Submersion Indicator until the date on which Plaintiff and the class is right		
18	to coverage is determined and (ii) by adding the amount of coverage that remained		
19	as of the date of tolling (e.g., if six months of warranty coverage remained as of the		
20	date on which Apple denied coverage, six months of coverage would remain as of the		
21	date on which judgment is entered in favor of Plaintiffs and the proposed class); (e)		
22	requires Apple to make full restitution of all moneys wrongfully obtained from its		
23	violations of the UCL, as alleged in this Complaint; and (f) requires Apple to pay		
24	the attorney fees and costs incurred by counsel for Plaintiffs and the proposed class		
25	in accordance with California Code of Civil Procedure section 1021.5;		
26	AS TO THE SEVENTH CLAIM FOR RELIEF		
27	13. For an order compelling Apple to provide restitution of the amounts by		
28	which it has been unjustly enriched unjustly enriched by, <i>inter alia</i> , (a) its sale of		
FAZIO MICHELETTI UP	-38-		
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1	Class Devices at inflated prices due to the ostensible inclusion of a one-year		
2	Standard Warranty, (b) the sale of an Extended Warranty; (c) avoiding the costs		
3	associated with complying with the terms and conditions of the Standard Warranty		
4	and Extended Warranty agreements; (d) charging for the repair of Class Devices		
5	while those devices were covered by the Standard Warranty and/or Extended		
6	Warranty agreement; (e) selling replacement Class Devices that were covered by		
7	the Standard Warranty and/or Extended Warranty agreements and (f) requiring		
8	consumers to relinquish to Apple their Class Device without compensation as a		
9	condition to purchasing a replacement Class Device.		
10	As to All Claims for Relief		
11	14. For an award of attorney fees;		
12	15. For an award of costs;		
13	16. For an award of pre- and post-judgment interest on any amounts		
14	awarded; and		
15	17. For any and all other relief the Court deems just and appropriate.		
16	DEMAND FOR JURY TRIAL		
17	Plaintiff and the proposed class demand a jury trial in this action for all the		
18	causes of action so triable.		
19			
20	DATED: June 30, 2011 FAZIO MICHELETTI LLP		
21			
22			
23	by <u>/s/ Jeffrey L. Fazio</u> Jeffrey L. Fazio (146043)		
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	MASTER COMPLAINT FOR EQUITABLE RELIEF AND DAMAGES (CASE NO. CV-10-01610)		

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	MASTER COMPLAINT FOR EQUITABLE RELIEF AND DAMAGES (CASE NO. CV-10-01610)

EXHIBIT 1

English

Apple One (1) Year Limited Warranty

FOR CONSUMERS, WHO ARE COVERED BY CONSUMER PROTECTION LAWS OR REGULATIONS IN THEIR COUNTRY OF PURCHASE OR, IF DIFFERENT, THEIR COUNTRY OF RESIDENCE, THE BENEFITS CONFERRED BY THIS WARRANTY ARE IN ADDITION TO ALL RIGHTS AND REMEDIES CONVEYED BY SUCH CONSUMER PROTECTION LAWS AND REGULATIONS. THIS WARRANTY DOES NOT EXCLUDE, LIMIT OR SUSPEND ANY RIGHTS OF CONSUMERS ARISING OUT OF NONCONFORMITY WITH A SALES CONTRACT. SOME COUNTRIES, STATES AND PROVINCES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES OR ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY OR CONDITION MAY LAST, SO THE LIMITATIONS OR EXCLUSIONS DESCRIBED BELOW MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY BY COUNTRY, STATE OR PROVINCE. THIS LIMITED WARRANTY IS GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE COUNTRY IN WHICH THE PRODUCT PURCHASE TOOK PLACE. APPLE, THE WARRANTOR UNDER THIS LIMITED WARRANTY, IS IDENTIFIED AT THE END OF THIS DOCUMENT ACCORDING TO THE COUNTRY OR REGION IN WHICH THE PRODUCT PURCHASE TOOK PLACE.

Apple's warranty obligations for this hardware product are limited to the terms set forth below:

Apple, as defined in the table below, warrants this Apple-branded hardware product against defects in materials and workmanship under normal use for a period of ONE (1) YEAR from the date of retail purchase by the original end-user purchaser ("Warranty Period"). If a hardware defect arises and a valid claim is received within the Warranty Period, at its option and to the extent permitted by law, Apple will either (1) repair the hardware defect at no charge, using new parts or parts equivalent to new in performance and reliability, (2) exchange the product with a product that is new or equivalent to new in performance and reliability and is at least functionally equivalent to the original product, or (3) refund the purchase price of the product. Apple may request that you replace defective parts with new or refurbished user-installable parts that Apple provides in fulfillment of its warranty obligation. A replacement product or part, including a user-installable part that has been installed in accordance with instructions provided by Apple, assumes the remaining warranty of the original product or ninety (90) days from the date of replacement or repair, whichever provides longer coverage for you. When a product or part is exchanged, any replacement item becomes your property and the replaced item becomes Apple's property. Parts provided by Apple in fulfillment of its warranty obligation must be used in products for which warranty service is claimed. When a refund is given, the product for which the refund is provided must be returned to Apple and becomes Apple's property.

EXCLUSIONS AND LIMITATIONS

This Limited Warranty applies only to the hardware product manufactured by or for Apple that can be identified by the "Apple" trademark, trade name, or logo affixed to it. The Limited Warranty does not apply to any non-Apple hardware product or any software, even if packaged or sold with the Apple hardware. Manufacturers, suppliers, or publishers, other than Apple, may provide their own warranties to the end user purchaser, but Apple, in so far as permitted by law, provides their products "as is". Software distributed by Apple with or without the Apple brand name (including, but not limited to system software) is not covered under this Limited Warranty. Refer to the licensing agreement accompanying the software for details of your rights with respect to its use.

Apple does not warrant that the operation of the product will be uninterrupted or error-free.

Apple is not responsible for damage arising from failure to follow instructions relating to the product's use.

This warranty does not apply: (a) to consumable parts, such as batteries, or protective coatings designed to diminish over time unless failure has occurred due to a defect in materials or workmanship; (b) to cosmetic damage, including but not limited to scratches, dents, and broken plastic on ports; (c) to damage caused by use with non-Apple products; (d) to damage caused by accident, abuse, misuse, liquid spill or submersion, flood, fire, earthquake or other external causes; (e) to damage caused by operating the product outside the permitted or intended uses described by Apple; (f) to damage caused by service (including upgrades and expansions) performed by anyone who is not a representative of Apple or an Apple authorized wireless service provider); (g) to a product or part that has been modified to alter functionality or capability without the written permission of Apple; or (h) to defects caused by normal wear and tear or otherwise due to the normal aging of the product or (i) if any Apple serial number has been removed or defaced.

Important: Do not open the hardware product. Opening the hardware product may cause damage that is not covered by this warranty. Only Apple or an authorized service provider should perform service on this hardware product.

TO THE EXTENT PERMITTED BY LAW, THIS WARRANTY AND THE REMEDIES SET FORTH ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES AND CONDITIONS, WHETHER ORAL, WRITTEN, STATUTORY, EXPRESS OR IMPLIED. AS PERMITTED BY APPLICABLE LAW, APPLE SPECIFICALLY DISCLAIMS ANY AND ALL STATUTORY OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS. IF APPLE CANNOT LAWFULLY DISCLAIM STATUTORY OR IMPLIED WARRANTIES THEN TO THE EXTENT PERMITTED BY LAW, ALL SUCH WARRANTIES SHALL BE LIMITED IN DURATION TO THE DURATION OF THE EXPRESS WARRANTY AND TO THE REPAIR OR REPLACEMENT SERVICE AS DETERMINED BY APPLE IN ITS SOLE DISCRETION. NO Apple reseller, agent, or employee is authorized to make any modification, extension, or addition to this warranty. If any term is held to be illegal or unenforceable, the legality or enforceability of the remaining terms shall not be affected or impaired.

EXCEPT AS PROVIDED IN THIS WARRANTY AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, APPLE IS NOT RESPONSIBLE FOR DIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF WARRANTY OR CONDITION, OR UNDER ANY OTHER LEGAL THEORY, INCLUDING BUT NOT LIMITED TO LOSS OF USE; LOSS OF REVENUE; LOSS OF ACTUAL OR ANTICIPATED PROFITS (INCLUDING LOSS OF PROFITS ON CONTRACTS); LOSS OF THE USE OF MONEY; LOSS OF ANTICIPATED SAVINGS; LOSS OF BUSINESS; LOSS OF OPPORTUNITY; LOSS OF GOODWILL; LOSS OF REPUTATION; LOSS OF, DAMAGE TO OR CORRUPTION OF DATA; OR ANY INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE HOWSOEVER CAUSED INCLUDING THE REPLACEMENT OF EQUIPMENT AND PROPERTY, ANY COSTS OF RECOVERING, PROGRAMMING OR REPRODUCING ANY PROGRAM OR DATA STORED IN OR USED WITH THE APPLE PRODUCT AND ANY FAILURE TO MAINTAIN THE CONFIDENTIALITY OF DATA STORED ON THE PRODUCT. THE FOREGOING LIMITATION SHALL NOT APPLY TO DEATH OR PERSONAL INJURY CLAIMS, OR ANY STATUTORY LIABILITY FOR INTENTIONAL AND GROSS NEGLIGENT ACTS AND/OR OMISSIONS. APPLE DISCLAIMS ANY REPRESENTATION THAT IT WILL BE ABLE TO REPAIR ANY PRODUCT UNDER THIS WARRANTY OR MAKE A PRODUCT EXCHANGE WITHOUT RISK TO OR LOSS OF PROGRAMS OR DATA.

OBTAINING WARRANTY SERVICE

Please access and review the online help resources referred to in the documentation

accompanying this hardware product before seeking warranty service. If the product is still not functioning properly after making use of these resources, please contact the Apple representatives or, if applicable, an Apple owned retail store ("Apple Retail") or Apple authorized wireless service provider located using the information provided in the documentation. When contacting Apple via telephone, other charges may apply depending on your location. When calling, an Apple representative or Apple authorized wireless service provider will help determine whether your product requires service and, if it does, will inform you how Apple will provide it. You must assist in diagnosing issues with your product and follow Apple's warranty processes.

Apple may restrict service to the country where Apple or its authorized distributors originally sold the hardware product, and provide warranty service (i) at an Apple Retail or Apple authorized wireless service provider location, where service is performed at the location, or the Apple Retail or Apple authorized wireless service provider may send the product to an Apple repair service location for service, (ii) by sending you prepaid way bills (and if you no longer have the original packaging, Apple may send you packaging material) to enable you to ship the product to Apple's repair service location for service, or (iii) by sending you new or refurbished customer-installable replacement product or parts to enable you to service or exchange your own product ("DIY Service"). Upon receipt of the replacement product or part, the original product or part becomes the property of Apple and you agree to follow instructions, including, if required, arranging the return of original product or part to Apple in a timely manner. When providing DIY Service requiring the return of the original product or part, Apple may require a credit card authorization as security for the retail price of the replacement product or part and applicable shipping costs. If you follow instructions, Apple will cancel the credit card authorization, so you will not be charged for the product or part and shipping costs. If you fail to return the replaced product or part as instructed, Apple will charge the credit card for the authorized amount.

Service options, parts availability and response times may vary according to the country in which service is requested. Service options are subject to change at any time. You may be responsible for shipping and handling charges if the product cannot be serviced in the country in which service is requested. If you seek service in a country that is not the country of original purchase, you will comply with all applicable export laws and regulations and be responsible for all custom duties, V.A.T. and other associated taxes and charges. Where international service is available, Apple may repair or exchange defective products and parts with comparable products and parts that comply with local standards. In accordance with applicable law, Apple may require that you furnish proof of purchase details and/or comply with registration requirements before receiving warranty service. Please refer to the accompanying documentation for more details on this and other matters on obtaining warranty service.

Apple will maintain and use customer information in accordance with the Apple Customer Privacy Policy available at the webpage listed in the table below.

If your product is capable of storing software programs, data and other information, you should protect its contents against possible operational failures. Before you deliver your product for warranty service it is your responsibility to keep a separate backup copy of the contents and disable any security passwords. THE CONTENTS OF YOUR PRODUCT WILL BE DELETED AND THE STORAGE MEDIA REFORMATTED IN THE COURSE OF WARRANTY SERVICE. Your product or a replacement product will be returned to you as your product was configured when originally purchased, subject to applicable updates. Apple may install system software updates as part of warranty service that will prevent the hardware from reverting to an earlier version of the system software. Third party applications installed on the hardware may not be compatible or work with the hardware as a result of the system software update. You will be responsible for reinstalling all other software programs, data and passwords. Recovery and reinstallation of software programs and user data are not

covered under this Limited Warranty.

A list of authorized wireless service providers is available online at:

http://images.apple.com/legal/warranty/docs/iPhoneAuthorizedDistributors.pdf.

Complimentary support may be available.

See: http://www.apple.com/support/country/index.html?dest=complimentary

English

Apple One (1) Year Limited Warranty

FOR CONSUMERS, WHO ARE COVERED BY CONSUMER PROTECTION LAWS OR **REGULATIONS IN THEIR COUNTRY OF PURCHASE OR, IF DIFFERENT, THEIR** COUNTRY OF RESIDENCE, THE BENEFITS CONFERRED BY THIS WARRANTY ARE IN ADDITION TO ALL RIGHTS AND REMEDIES CONVEYED BY SUCH CONSUMER PROTECTION LAWS AND REGULATIONS. THIS WARRANTY DOES NOT EXCLUDE, LIMIT OR SUSPEND ANY RIGHTS OF CONSUMERS ARISING OUT OF NONCONFORMITY WITH A SALES CONTRACT. SOME COUNTRIES, STATES AND PROVINCES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES OR ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY OR CONDITION MAY LAST, SO THE LIMITATIONS OR EXCLUSIONS DESCRIBED BELOW MAY NOT APPLY TO YOU. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY BY COUNTRY, STATE OR PROVINCE. THIS LIMITED WARRANTY IS GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE COUNTRY IN WHICH THE PRODUCT PURCHASE TOOK PLACE. APPLE, THE WARRANTOR UNDER THIS LIMITED WARRANTY, IS IDENTIFIED AT THE END OF THIS DOCUMENT ACCORDING TO THE COUNTRY OR REGION IN WHICH THE PRODUCT PURCHASE TOOK PLACE.

Apple's warranty obligations for this hardware product are limited to the terms set forth below:

Apple, as defined below, warrants this Apple-branded hardware product against defects in materials and workmanship under normal use for a period of ONE (1) YEAR from the date of retail purchase by the original end-user purchaser ("Warranty Period"). If a hardware defect arises and a valid claim is received within the Warranty Period, at its option and to the extent permitted by law, Apple will either (1) repair the hardware defect at no charge, using new parts or parts equivalent to new in performance and reliability, (2) exchange the product with a product that is new or equivalent to new in performance and reliability and is at least functionally equivalent to the original product, or (3) refund the purchase price of the product. Apple may request that you replace defective parts with new or refurbished user-installable parts that Apple provides in fulfillment of its warranty obligation. A replacement product or part, including a userinstallable part that has been installed in accordance with instructions provided by Apple, assumes the remaining warranty of the original product or ninety (90) days from the date of replacement or repair, whichever provides longer coverage for you. When a product or part is exchanged, any replacement item becomes your property and the replaced item becomes Apple's property. Parts provided by Apple in fulfillment of its warranty obligation must be used in products for which warranty service is claimed. When a refund is given, the product for which the refund is provided must be returned to Apple and becomes Apple's property.

EXCLUSIONS AND LIMITATIONS

This Limited Warranty applies only to the hardware product manufactured by or for Apple that can be identified by the "Apple" trademark, trade name, or logo affixed to it. The Limited Warranty does not apply to any non-Apple hardware product or any software, even if packaged or sold with the Apple hardware. Manufacturers, suppliers, or publishers, other than Apple, may provide their own warranties to the end user purchaser, but Apple, in so far as permitted by law, provides their products "as is". Software distributed by Apple with or without the Apple brand name (including, but not limited to system software) is not covered under this Limited Warranty. Refer to the licensing agreement accompanying the software for details of your rights with respect to its use.

Apple does not warrant that the operation of the product will be uninterrupted or error-free. Apple is not

responsible for damage arising from failure to follow instructions relating to the product's use.

This warranty does not apply: (a) to consumable parts, such as batteries, unless damage has occurred due to a defect in materials or workmanship; (b) to cosmetic damage, including but not limited to scratches, dents, and broken plastic on ports; (c) to damage caused by use with non-Apple products; (d) to damage caused by accident, abuse, misuse, flood, fire, earthquake or other external causes; (e) to damage caused by operating the product outside the permitted or intended uses described by Apple; (f) to damage caused by service (including upgrades and expansions) performed by anyone who is not a representative of Apple or an Apple Authorized Service Provider ("AASP"); (g) to a product or part that has been modified to alter functionality or capability without the written permission of Apple; or (h) if any Apple serial number has been removed or defaced.

Important: Do not open the hardware product. Opening the hardware product may cause damage that is not covered by this warranty. Only Apple or an authorized service provider should perform service on this hardware product.

TO THE EXTENT PERMITTED BY LAW, THIS WARRANTY AND THE REMEDIES SET FORTH ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES AND CONDITIONS, WHETHER ORAL, WRITTEN, STATUTORY, EXPRESS OR IMPLIED. AS PERMITTED BY APPLICABLE LAW, APPLE SPECIFICALLY DISCLAIMS ANY AND ALL STATUTORY OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES AGAINST HIDDEN OR LATENT DEFECTS. IF APPLE CANNOT LAWFULLY DISCLAIM STATUTORY OR IMPLIED WARRANTIES THEN TO THE EXTENT PERMITTED BY LAW, ALL SUCH WARRANTIES SHALL BE LIMITED IN DURATION TO THE DURATION OF THE EXPRESS WARRANTY AND TO THE REPAIR OR REPLACEMENT SERVICE AS DETERMINED BY APPLE IN ITS SOLE DISCRETION. No Apple reseller, agent, or employee is authorized to make any modification, extension, or addition to this warranty. If any term is held to be illegal or unenforceable, the legality or enforceability of the remaining terms shall not be affected or impaired.

EXCEPT AS PROVIDED IN THIS WARRANTY AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, APPLE IS NOT RESPONSIBLE FOR DIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY BREACH OF WARRANTY OR CONDITION, OR UNDER ANY OTHER LEGAL THEORY, INCLUDING BUT NOT LIMITED TO LOSS OF USE; LOSS OF REVENUE; LOSS OF ACTUAL OR ANTICIPATED PROFITS (INCLUDING LOSS OF PROFITS ON CONTRACTS); LOSS OF THE USE OF MONEY; LOSS OF ANTICIPATED SAVINGS; LOSS OF BUSINESS; LOSS OF OPPORTUNITY; LOSS OF GOODWILL; LOSS OF REPUTATION; LOSS OF, DAMAGE TO OR CORRUPTION OF DATA; OR ANY INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE HOWSOEVER CAUSED INCLUDING THE REPLACEMENT OF EQUIPMENT AND PROPERTY, ANY COSTS OF RECOVERING, PROGRAMMING OR REPRODUCING ANY PROGRAM OR DATA STORED IN OR USED WITH THE APPLE PRODUCT AND ANY FAILURE TO MAINTAIN THE CONFIDENTIALITY OF DATA STORED ON THE PRODUCT. THE FOREGOING LIMITATION SHALL NOT APPLY TO DEATH OR PERSONAL INJURY CLAIMS, OR ANY STATUTORY LIABILITY FOR INTENTIONAL AND GROSS NEGLIGENT ACTS AND/OR OMISSIONS. APPLE DISCLAIMS ANY REPRESENTATION THAT IT WILL BE ABLE TO REPAIR ANY PRODUCT UNDER THIS WARRANTY OR MAKE A PRODUCT EXCHANGE WITHOUT RISK TO OR LOSS OF PROGRAMS OR DATA.

OBTAINING WARRANTY SERVICE

Please access and review the online help resources referred to in the documentation accompanying this hardware product before seeking warranty service. If the product is still not functioning properly after

making use of these resources, please contact the Apple representatives or, if applicable, an Apple owned retail store ("Apple Retail") or AASP located using the information provided in the documentation. When contacting Apple via telephone, other charges may apply depending on your location. When calling, an Apple representative or AASP will help determine whether your product requires service and, if it does, will inform you how Apple will provide it. You must assist in diagnosing issues with your product and follow Apple's warranty processes.

Apple may restrict service to the country where Apple or its authorized distributors originally sold the hardware product, and provide warranty service (i) at an Apple Retail or AASP location, where service is performed at the location, or the Apple Retail or AASP may send the product to an Apple repair service location for service, (ii) by sending you prepaid way bills (and if you no longer have the original packaging, Apple may send you packaging material) to enable you to ship the product to Apple's repair service location for service, or (iii) by sending you new or refurbished customer-installable replacement product or parts to enable you to service or exchange your own product ("DIY Service"). Upon receipt of the replacement product or part, the original product or part becomes the property of Apple and you agree to follow instructions, including, if required, arranging the return of original product or part, Apple may require a credit card authorization as security for the retail price of the replacement product or part and applicable shipping costs. If you follow instructions, Apple will cancel the credit card authorization, so you will not be charged for the product or part and shipping costs. If you fail to return the replaced product or part as instructed, Apple will charge the credit card for the authorized amount.

Service options, parts availability and response times may vary according to the country in which service is requested. Service options are subject to change at any time. You may be responsible for shipping and handling charges if the product cannot be serviced in the country in which service is requested. If you seek service in a country that is not the country of original purchase, you will comply with all applicable export laws and regulations and be responsible for all custom duties, V.A.T. and other associated taxes and charges. Where international service is available, Apple may repair or exchange defective products and parts with comparable products and parts that comply with local standards. In accordance with applicable law, Apple may require that you furnish proof of purchase details and/or comply with registration requirements before receiving warranty service. Please refer to the accompanying documentation for more details on this and other matters on obtaining warranty service.

Apple will maintain and use customer information in accordance with the Apple Customer Privacy Policy accessible at www.apple.com/legal/privacy.

If your product is capable of storing software programs, data and other information, you should protect its contents against possible operational failures. Before you deliver your product for warranty service it is your responsibility to keep a separate backup copy of the contents and disable any security passwords. **THE CONTENTS OF YOUR PRODUCT WILL BE DELETED AND THE STORAGE MEDIA REFORMATTED IN THE COURSE OF WARRANTY SERVICE**. Your product will be returned to you configured as originally purchased, subject to applicable updates. You will be responsible for reinstalling all other software programs, data and passwords. Recovery and reinstallation of software programs and user data are not covered under this Limited Warranty.

A list of authorized distributors is available online at:

http://images.apple.com/legal/warranty/docs/iPhoneAuthorizedDistributors.pdf

EXHIBIT 2

Terms and Conditions

Your AppleCare Protection Plan for iPhone (herein referred to as the "Plan") is governed by these Terms and Conditions and constitutes your contract with Apple as described in section 7.1 below. Subject to these Terms and Conditions, your Plan (i) covers defects for the Applebranded iPhone product listed in your Plan's Certificate or Proof of Coverage document ("Plan Confirmation"), an Apple-branded iPhone Bluetooth headset if used with the covered iPhone and originally purchased by you within two (2) years from the purchase of the Plan and the hardware accessories that are contained in the covered iPhone's original packaging (collectively the "Covered Equipment"), and (ii) provides you with access to telephone support and web-based support resources for the Covered Equipment. To obtain the Plan Confirmation you must register your Plan's unique agreement or registration number ("Plan Agreement Number") as described in the instructions included in the Plan's packaging. Customers choosing the Auto-Registration option, where available, will automatically receive their Plan Confirmation. The duration of the Plan ("Coverage Period") is for the period ending on the date specified in your Plan Confirmation. The price of the Plan is listed on the Plan's original sales receipt. Apple may restrict service provided under this Plan to the Covered Equipment's original country of purchase.

1. Repair Coverage

a. Scope of Coverage. Your coverage for defects begins on the date your Covered Equipment's Apple hardware warranty expires and terminates at the end of the Coverage Period ("Repair Coverage Period"). Apple will, at its option, repair or replace the affected Covered Equipment, if (i) during the Repair Coverage Period there is a defect in the Covered Equipment's materials or workmanship or, (ii) during the Coverage Period, the capacity of the covered iPhone battery to hold an electrical charge has depleted fifty (50%) percent or more from its original specification, (after being fully charged and the covered iPhone playing audio or video with all settings reset). Apple will provide both parts and labor, but may require you to replace certain readily installable parts yourself, as described below. Apple may provide replacement product or parts that are new or equivalent to new in both performance and reliability. The replacement product or parts will be functionally equivalent to the replaced products or parts and will assume the remaining coverage under the Plan. The products or parts that are replaced become Apple's property. Apple strongly advises you to record as a back up, data and software residing or recorded in the Covered Equipment, before making the Covered Equipment available for service.

b. Limitations The Plan does not cover:

(i) Installation, removal or disposal of the Covered Equipment, or installation, removal, repair, or maintenance of non-Covered Equipment (including accessories, attachments, or other devices) or network or cellular service external to the Covered Equipment;

(ii) Damage to the Covered Equipment caused by accident, abuse, neglect, misuse (including faulty installation, repair or maintenance by anyone other than Apple or an Apple Authorized Service Provider), unauthorized modification, extreme environment (including extreme temperature or humidity), extreme physical or electrical stress or interference, fluctuation or surges of electrical power, lightning, static electricity, fire, acts of God or other external causes; (iii) Covered Equipment with a serial number that has been altered, defaced or removed;

(iv) Problems caused by a device that is not the Covered Equipment, including equipment that is not Apple-branded, whether or not purchased at the same time as the Covered Equipment;

(v) Service necessary to comply with the regulations of any government body or agency arising after the date of this Plan;

(vi) Problems caused by the function of a network or cellular service or viruses or other software problems introduced into the Covered Equipment;

(vii) Covered Equipment that has been lost or stolen. This Plan only covers Covered Equipment that is returned to Apple in its entirety;

(viii) Cosmetic damage to the Covered Equipment including but not limited to scratches, dents and broken plastic on ports;

(ix) Preventative maintenance on the Covered Equipment;

(x) The provision of replacement equipment during the period when the Covered Equipment is being serviced;(xi) Damage to, or loss of any software or data residing or recorded in the Covered Equipment. THE CONTENTS OF YOUR iPHONE WILL BE DELETED AND THE STORAGE MEDIA REFORMATTED IN THE COURSE OF SERVICE. Your iPhone or a replacement iPhone will be returned to you as your iPhone was configured when originally purchased, subject to applicable updates. Apple may install system software ("iPhone OS") updates as part of your service that will prevent the iPhone from reverting to an earlier version of the iPhone OS. Third party applications installed on the iPhone may not be compatible or work with the iPhone as a result of the iPhone OS update. You will be responsible for reinstalling all other software programs, data and passwords. Recovery and reinstallation of software programs and user data are not covered under this Plan;

(xii) Defects caused by normal wear and tear or otherwise due to normal aging of the product; (xiii) Protective coatings designed to diminish over time unless failure has occurred due to a defect in materials or workmanship, and ; or

(xiv) Except as specifically provided herein, any other damages that do not arise from defects in materials and workmanship or ordinary and customary usage of the Covered Equipment.

c. Service Options. Apple may provide service through one or more of the following options:

(i) Carry-in service. Return the Covered Equipment requiring service to an Apple-owned retail store location offering carry-in service. Service will be performed at the location, or the store may send the Covered Equipment to an Apple repair service location to be repaired. Once you are notified that service is complete, you will promptly retrieve the product.

(ii) Direct mail-in service. If Apple determines that your Covered Equipment is eligible for mail-in service, Apple will send you prepaid way bills (and if you no longer have the original packaging, Apple may send you packaging material) and you will ship the Covered Equipment to Apple's repair service location in accordance with its instructions. Once service is complete, the Apple repair service location will return the Covered Equipment to you. Apple will pay for shipping to and from your location if all instructions are followed.

(iii) Do-It-Yourself Parts service is available for many Covered Equipment parts or accessories, allowing you to service your own product. If Do-It-Yourself Parts service is available in the circumstances, the following process will apply.

(A) Do-It-Yourself Parts service where Apple requires return of the replaced part. Apple may require a credit card authorization as security for the retail price of the replacement part and applicable shipping costs. If you are unable to provide credit card authorization, Do-It-Yourself Parts service may not be available to you and Apple will offer alternative arrangements for service. Apple will ship a replacement part to you with installation instructions and any requirements for the return of the replaced part. If you follow the instructions, Apple will cancel the credit card authorization, so you will not be charged for the part and shipping to and from your location. If you fail to return the replaced part as instructed or return a replaced part that is ineligible for service, Apple will charge the credit card for the authorized amount.

(B) Do-It-Yourself Parts service where Apple does not require return of the replaced part. Apple will ship you free of charge a replacement part accompanied by instructions on installation and any requirements for the disposal of the replaced part.

(C) Apple is not responsible for any labor costs you incur relating to Do-It-Yourself Parts service. Should you require further assistance, contact Apple at the toll-free telephone number listed below.

Apple reserves the right to change the method by which Apple may provide repair or replacement service to you, and your Covered Equipment's eligibility to receive a particular method of service. Service options, parts availability and response times may vary.

d. Obtaining Repair or Replacement Service

To obtain service under this Plan, access the Apple website (<u>www.apple.com/support</u>) or call the toll-free telephone number listed below. Telephone numbers may vary according to your location. When accessing the website, follow the instructions for requesting repair service provided by Apple. If calling, an Apple technical support representative will answer, request your Plan Agreement Number, advise you and determine what service is necessary for the Covered Equipment. All service is subject to Apple's prior approval. Location of service may vary due to your location. Keep your Plan Confirmation document and the original sales receipt for your Covered Equipment and your Plan. Proof of purchase may be required if there is any question as to your product's eligibility for Plan coverage.

2. Technical Support

a. Telephone and Web Support. Your eligibility for technical support begins on the date your Covered Equipment s complimentary technical support expires or the date your Coverage Period begins, whichever is later, and terminates at the end of the Coverage Period ("Technical Coverage Period"). During the Technical Coverage Period Apple will provide you with access to telephone technical support and web-based technical support resources. Technical support may include assistance with installation, launch, configuration, troubleshooting, and recovery (except for data recovery), including storing, retrieving, and managing files; interpreting system error messages; and determining when hardware repairs are required. Apple will provide technical support for the Covered Equipment, iPhone OS, software applications that are pre-installed with the Covered Equipment ("iPhone Software") and connectivity issues between the Covered Equipment and a supported computer, meaning a computer that meets the Covered Equipment s connectivity specifications and runs an operating system that is supported by the Covered Equipment. Apple will provide support for the then-current version of the iPhone OS and iPhone Software, and the prior Major Release. For purposes of this section, "Major Release" means a significant version of software that is commercially released by Apple in a release number format such as "1.0" or "2.0" and which is not in beta or pre-release form.

b. Limitations. The Plan does not cover:

(i) Issues that could be resolved by upgrading software to the then current version;

(ii) Your use of or modification to the Covered Equipment, the iPhone OS or iPhone Software in a manner for which the Covered Equipment or software is not intended to be used or modified;

(iii) Third-party products or their effects on or interactions with the Covered Equipment, the iPhone OS or iPhone Software;

(iv) Your use of a computer or operating system that is unrelated to iPhone Software or connectivity issues with the Covered Equipment;

(v) Apple software other than the iPhone OS or iPhone Software, as covered under the Plan;

(vi) iPhone OS software or any Apple-branded software designated as "beta", "prerelease," or "preview" or similarly labeled software; and

(vii) Damage to, or loss of any software or data residing or recorded in the Covered Equipment. c. Obtaining Technical Support

You may obtain technical support by calling the toll-free telephone number listed below. The Apple technical support representative will provide you technical support. Apple s hours of service are described below. Apple reserves the right to change its hours of technical service and telephone numbers at any time. Web-based support resources are offered to you at the Apple website (www.apple.com/support).

3. Your Responsibilities

To receive service or support under the Plan, you agree to comply with the following:

a. Provide your Plan Agreement Number and serial number of the Covered Equipment;

b. Provide information about the symptoms and causes of the problems with the Covered Equipment;

c. Respond to requests for information, including but not limited to the Covered Equipment serial number, model, version of the operating system and software installed, any peripherals devices connected or installed on the Covered Equipment, any error messages displayed, actions taken before the Covered Equipment experienced the issue and steps taken to resolve the issue;

d. Follow instructions Apple gives you, including but not limited to refraining from sending Apple products and accessories that are not subject to repair or replacement service and packing the Covered Equipment in accordance with shipping instructions; and

e. Update software to currently published releases prior to seeking service.

4. Limitation of Liability

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, APPLE AND ITS EMPLOYEES AND AGENTS WILL UNDER NO CIRCUMSTANCES BE LIABLE TO YOU OR ANY SUBSEQUENT OWNER FOR ANY INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO COSTS OF RECOVERING, REPROGRAMMING, OR REPRODUCING ANY PROGRAM OR DATA OR THE FAILURE TO MAINTAIN THE CONFIDENTIALITY OF DATA, ANY LOSS OF BUSINESS, PROFITS, REVENUE OR ANTICIPATED SAVINGS, RESULTING FROM APPLE'S OBLIGATIONS UNDER THIS PLAN. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE LIMIT OF APPLE AND ITS EMPLOYEES AND AGENT'S LIABILITY TO YOU AND ANY SUBSEQUENT OWNER ARISING UNDER THE PLAN SHALL NOT EXCEED THE ORIGINAL PRICE PAID FOR THE PLAN. APPLE SPECIFICALLY DOES NOT WARRANT THAT IT WILL BE ABLE TO (i) REPAIR OR REPLACE COVERED EOUIPMENT WITHOUT RISK TO OR LOSS OF PROGRAMS OR DATA, AND (ii) MAINTAIN THE CONFIDENTIALITY OF DATA. FOR CONSUMERS IN JURISDICTIONS WHO HAVE THE BENEFIT OF CONSUMER PROTECTION LAWS OR REGULATIONS, THE BENEFITS CONFERRED BY THIS PLAN ARE IN ADDITION TO ALL RIGHTS AND REMEDIES PROVIDED UNDER SUCH LAWS AND REGULATIONS. TO THE EXTENT THAT LIABILITY UNDER SUCH LAWS AND REGULATIONS MAY BE LIMITED, APPLE'S LIABILITY IS LIMITED, AT ITS SOLE OPTION, TO REPLACE OR REPAIR OF THE COVERED EQUIPMENT OR SUPPLY OF THE SERVICE. SOME STATES OR PROVINCES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO SOME OR ALL OF THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

5. Cancellation

You may cancel this Plan at any time for any reason. If you decide to cancel either call Apple at the telephone number below, or send or fax written notice with your Plan Agreement Number to AppleCare Administration, P.O. Box 149125, Austin, TX 78714-9125, U.S. (fax number 512-674-8125). A copy of the Plan's original proof of purchase must accompany your notice. Unless local law provides otherwise, if you cancel within thirty (30) days of your Plan's purchase, or receipt of these Terms and Conditions, whichever occurs later, you will receive a full refund less the value of any service provided under the Plan. If you cancel more than thirty (30) days after your receipt of this Plan, you will receive a pro rata refund of the original purchase price, based on the percentage of unexpired Coverage Period, less (a) a cancellation fee of twenty-five (\$25 USD) dollars or ten percent (10%) of the pro-rata amount, whichever is less, and (b) the value of any service provided to you under the Plan. Unless applicable local law provides otherwise, Apple may cancel this Plan if service parts for the Covered Equipment become unavailable, upon thirty (30) days' prior written notice. If Apple cancels this Plan, you will receive a pro-rata refund for the Plan's unexpired term.

6. Transfer of Plan

Subject to the restrictions set forth below, you may make a one-time permanent transfer of all of your rights under the Plan to another party, provided that: (a) the transfer must include the original Proof of Purchase, the Plan's Certificate and all of the Plan's packaging material, including printed materials and these Terms and Conditions; (b) you notify Apple of the transfer by sending, faxing or e-mailing notice of transfer to Apple Inc., ATTN: Agreement Administration, MS: 217-AC, 2511 Laguna Blvd, Elk Grove, CA 95758, U.S., fax number 916-399-7337 or agmts_transfer@apple.com, respectively, and (c) the party receiving the Plan reads and agrees to accept the Terms and Conditions of the Plan. When notifying Apple of the transfer of the Plan, you must provide the Plan Agreement Number, the serial numbers of the Covered Equipment being transferred, and the name, address, telephone number and email address of the new owner.

7. General Terms

a. Apple may subcontract or assign performance of its obligations to third parties but shall not be relieved of its obligations to you in doing so.

b. Apple is not responsible for any failures or delays in performing under the Plan that are due to events outside Apple's reasonable control.

c. You are not required to perform preventative maintenance on the Covered Equipment to receive service under the Plan.

d. This Plan is offered and valid only in the United States of America. This Plan is not offered to persons who have not reached the age of majority. This Plan may not be available in all states, and is not available where prohibited by law.

e. In carrying out its obligations Apple may, at its discretion and solely for the purposes of monitoring the quality of Apple's response, record part or all of the calls between you and Apple.

f. You agree that any information or data disclosed to Apple under this Plan is not confidential or proprietary to you. Furthermore, you agree that Apple may collect and process data on your behalf when it provides service. This may include transferring your data to affiliated companies or service providers in accordance with the Apple Customer Privacy Policy.

g. Apple has security measures, which should protect your data against unauthorized access or disclosure as well as unlawful destruction. You will be responsible for the instructions you give to Apple regarding the processing of data, and Apple will seek to comply with those instructions as reasonably necessary for the performance of the service and support obligations under the Plan. If you do not agree with the above or if you have questions regarding how your data may be impacted by being processed in this way, contact Apple at the telephone numbers provided.

h. Apple will protect your information in accordance with Apple Customer Privacy Policy available at URL www.apple.com/legal/privacy. If you wish to have access to the information that Apple holds concerning you or if you want to make changes, access URL www.apple.com/contact/myinfo to update your personal contact preferences or you may contact Apple at privacy@apple.com.

i. The Terms and Conditions of this Plan prevail over any conflicting, additional, or other terms of any purchase order or other document, and constitute your and Apple's entire understanding with respect to the Plan.

j. Your rights under the Plan are in addition to any warranty rights you may be entitled to. You must purchase and register the Plan while your Apple-branded iPhone is within Apple's One Year Limited warranty. Apple is not obligated to renew this Plan. If Apple does offer a renewal, it will determine the price and terms.

k. There is no informal dispute settlement process available under this Plan.

I. For Plans sold to residents of North Carolina, "Apple" is Apple Inc., a California corporation with its registered office at 1 Infinite Loop, Cupertino, California 95014, and the obligations of such Plans are backed by the full faith and credit of the provider, Apple Inc. For Plans sold to residents of all other states, "Apple" is **AppleCare Service Company, Inc.** an Arizona corporation with its registered office at c/o CT Corporation System, 2394 East Camelback Road, Phoenix, Arizona 85016, doing business in the state of Texas as Apple CSC, Inc., and the obligations of such Plans are backed by the full faith and credit of the provider, AppleCare Service Company, Inc.

m. The Administrator for Plans sold to residents of all states other than North Carolina is Apple Inc. (the "Administrator"). The Administrator is responsible for the collection and transfer to AppleCare Service Company, Inc. of the purchase price for the Plan and for the administration of claims under the Plan sold in North Carolina. The Administrator for Plans sold to residents of North Carolina is Apple Inc.

n. Except where prohibited by law, the laws of the state of California govern Plans purchased in the United States. If the laws of any jurisdiction where this Plan is purchased are inconsistent with these terms, including the jurisdictions of Arizona, Florida, Georgia, Nevada, Oregon, Vermont, Washington, and Wyoming, the laws of that jurisdiction will control.

o. Support services under this Plan may be available in English only.

p. There is no deductible payment due in respect of a claim made under this Plan.

8. State Variations

The following state variations will control if inconsistent with any other provisions of this Plan:

Alabama, California, Hawaii, Maryland, Minnesota, Missouri, New Mexico, New York, Nevada, South Carolina, Texas, Washington and Wyoming Residents

If you cancel this Plan pursuant to Section 5 of these Terms and Conditions, and we fail to refund the purchase price to you within thirty (30) days for California, New York, Missouri and Washington residents, within forty-five (45) days for Alabama, Hawaii, Maryland, Minnesota, Nevada, South Carolina, Texas and Wyoming residents, and within sixty (60) days for New Mexico residents, we are required to pay you a penalty of 10% per month for the unpaid amount due and owing to you. The right to cancel and receive this penalty payment only applies to the original owner of the Agreement and may not be transferred or assigned. The obligations of the provider under this service contract are backed by the full faith and credit of the provider, AppleCare Service Company, Inc.

California Residents

If you cancel within thirty (30) days of your Plan receipt, you will receive a full refund less the value of any service provided under the Plan.

Colorado Residents

Notice: This Plan is subject to the Colorado Consumer Protection Act or the Unfair Practices Act, Articles 1 and 2 of Title 6, CRS.

Connecticut Residents

The expiration date of the Plan will automatically be extended by the period that the Covered Equipment is in Apple's custody while being serviced. Resolution of Disputes: Disputes may be resolved by arbitration. Unresolved disputes or complaints may be mailed, with a copy of this Plan, to State of Connecticut, Insurance Dept., P.O. Box 816, Hartford, CT 06142-0846, Attn: Consumer Affairs.

Florida Residents

The laws of the State of Florida will govern this Plan and any disputes arising under it.

Michigan Residents

If performance of the service contract is interrupted because of a strike or work stoppage at the company's place of business, the effective period of the service contract shall be extended for the period of the strike or work stoppage.

Nevada Residents

Cancellations: No Plan that has been in effect for at least 70 days may be canceled by the provider before the expiration of the agreed term or one year after the effective date of the Plan, whichever occurs first, except on the following grounds:

a. Failure by the holder to pay an amount due;

b. Conviction of the holder of a crime which results in an increase in the service required;

c. Discovery of fraud or material misrepresentation by the holder in obtaining the Plan, or in presenting a claim for service thereunder;

d. Discovery of an act or omission by the holder, or a violation by the holder of any condition of the Plan, which occurred after the effective date of the Plan and which substantially and materially increases the service required under the Plan;

e. A material change in the nature or extent of the required service or repair which occurs after the effective date of the Plan and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time that the Plan was issued or sold.

Grounds for cancellation; date cancellation effective. No cancellation of a service contract may become effective until at least 15 days after the notice of cancellation is mailed to the holder.

Cancellation of contract; Refund of purchase price; cancellation fee.

(i) If Apple cancels this Plan, Apple shall refund to Nevada consumers the portion of the purchase price that is unearned. Apple may deduct any outstanding balance on your account from the amount of the purchase price that is unearned when calculating the amount of the

refund. If Apple cancels a contract pursuant to NRS 690C.270, it may not impose a cancellation fee.

(ii) Except as otherwise provided in this section, a Nevada resident who is the original purchaser of this Plan, who submits to Apple a request in writing to cancel the Plan in accordance with the terms of the Plan, shall receive a refund of the portion of the Plan's purchase price that is unearned.

(iii) If you request the cancellation of this Plan pursuant to subsection (ii), Apple may impose the cancellation fee described in the Plan, but will not deduct the value of any service provided.

(iv) When Apple calculates the amount of a refund pursuant to subsection (ii), it may deduct from the portion of the purchase price that is unearned: (a) any outstanding balance on the account; and (b) any cancellation fee imposed pursuant to this Plan. AppleCare Service Company, Inc. backs this Plan for Nevada residents by its full faith and credit.

New Hampshire Residents

In the event you do not receive satisfaction under this contract, you may contact the New Hampshire insurance department, by mail at State Of New Hampshire Insurance Department, 21 South Fruit Street, Suite 14,Concord NH 03301, or by telephone, via Consumer Assistance, at800-852-3416.

New Mexico Residents

Cancellations: No Plan that has been in effect for at least 70 days may be canceled by the provider before the expiration of the agreed term or one year after the effective date of the Plan, whichever occurs first, except on the following grounds:

a. Failure by the holder to pay an amount due;

b. Conviction of the holder of a crime which results in an increase in the service required;

c. Discovery of fraud or material misrepresentation by the holder in obtaining the Plan, or in presenting a claim for service thereunder;

d. Discovery of an act or omission by the holder, or a violation by the holder of any condition of the Plan, which occurred after the effective date of the Plan and which substantially and materially increases the service required under the Plan;

e. A material change in the nature or extent of the required service or repair which occurs after the effective date of the Plan and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time that the Plan was issued or sold.

North Carolina Residents

The purchase of this Plan is not required either to purchase or to obtain financing for computer equipment. Apple Inc. will not cancel this plan **EXCEPT** for failure to pay the purchase price for the Plan.

Oregon Residents

In the event you do not receive satisfaction under this contract, you may contact the Oregon Department of Consumer and Business Services by mail at the Department of Consumer and Business Services, Oregon Insurance Division, 350 Winter Street NE, Salem, OR 97301; or by telephone via Consumer Advocacy, at 888-877-4894.

South Carolina Residents

Unresolved complaints or Plan regulation questions may be addressed to the South Carolina Department of Insurance, P.O. Box 100105, Columbia, South Carolina 29202-3105, Tel: 1-800-768-3467.

Tennessee Residents

This Plan shall be extended as follows: (1) the number of days the consumer is deprived of the use of the product because the product is in repair; plus two (2) additional workdays.

Texas Residents

The provider may cancel this Plan with no prior notice for non-payment, misrepresentation or a substantial breach of a duty by the holder relating to the Covered Equipment or its use. Unresolved complaints or Contract regulation questions may be addressed to the TX Dept. of Licensing and Regulation, P.O. Box 12157, Austin, TX 78711, U.S.

Wisconsin Residents

THIS WARRANTY IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE.

If you cancel within thirty (30) days of your Plan's purchase, or receipt of these Terms and Conditions, whichever occurs later, you will receive a full refund. If you cancel more than thirty (30) days after your receipt of the Plan, you will receive a pro-rata refund of the original purchase price, based on the percentage of unexpired Coverage Period, less a cancellation fee of twenty-five (\$25 USD) dollars or ten percent (10%) of the pro-rata amount, whichever is less. No deduction shall be made from the refund for the cost of any service received. Apple will not cancel this plan **EXCEPT** for failure to pay the purchase price for the plan. If Apple cancels the Plan, you will receive a pro-rata refund for the Plan's unexpired term.

Wyoming Residents

If Apple cancels this Plan, Apple will mail to you written notice of the cancellation at your last known address contained in Apple's records no less than ten (10) days prior to the effective cancellation date. The prior written notice will contain the effective date of cancellation and the reasons for cancellation. Apple is not obligated to provide prior notice if cancellation is due to nonpayment of the Plan, a material misrepresentation by you to Apple, a substantial breach of your duties under the Plan or a substantial breach of your duties relating to the Covered Equipment or its use.

Disputes arising under this Plan may be settled in accordance with the Wyoming Arbitration Act.

Toll-Free Numbers	
In the U.S:	In Canada:
800-APL-CARE (800-275-2273)	800-263-3394
Seven days a week	Seven days a week
8:00 A.M. to 8:00 P.M. central time*	9:00 A.M. to 9:00 P.M. eastern time*

* Telephone numbers and hours of operation may vary and are subject to change. You can find the most up-to-date local and international contact information at <u>www.apple.com/contact/phone_contacts.html</u>. Toll-free numbers are not available in all countries.

APP iPhone NA v5.2

AppleCare Protection Plan AppleCare Protection Plan for iPod AppleCare Protection Plan for Apple Display AppleCare Protection Plan for Apple TV

Terms and Conditions

Your AppleCare Protection Plan ("APP"), AppleCare Protection Plan for iPod ("APP for iPod"), AppleCare Protection Plan for Apple Display ("APP for Apple Display") or AppleCare Protection Plan for Apple TV ("APP for Apple TV"), (each referred to herein as the "Plan") is governed by these Terms and Conditions and constitutes your contract with the Apple entity described in section 7.1 below ("Apple"). Subject to these Terms and Conditions, your Plan (i) covers defects for the Applebranded product(s) listed in your Plan's Certificate or Proof of Coverage document ("Plan Confirmation") and the accessories that are contained in the product(s) original packaging ("Covered Equipment"), and (ii) provides you with access to telephone support and web-based support resources for the Covered Equipment. To obtain the Plan Confirmation you must register your Plan's unique agreement or registration number ("Plan Agreement Number") as described in the instructions included in the Plan's packaging. Customers choosing the Auto-Registration option, where available, will automatically receive their Plan Confirmation. The duration of the Plan ("Coverage Period") is for the period ending on the date specified in your Plan Confirmation. The price of the Plan is listed on the Plan's original sales receipt.

1. Repair Coverage

a. **Scope of Coverage.** Your coverage for defects begins on the date your Covered Equipment's Apple hardware warranty expires and terminates at the end of the Coverage Period ("Repair Coverage Period"). Apple will provide both parts and labor, but may require you to replace certain readily installable parts yourself, as described below. Apple may provide replacement product or parts that are manufactured from parts that are new or equivalent to new in both performance and reliability. The replacement product or parts will be functionally equivalent to the replaced products or parts and will assume the remaining coverage under the Plan. The products or parts that are replaced become Apple's property. Apple strongly advises you to record as a back up, data and software residing or recorded in the Covered Equipment, before having the Covered Equipment available for repair or replacement services. The scope of support provided to you will vary according to the Plan you purchased, as follows.

(i) Under APP, Apple covers the Covered Equipment and one compatible Apple branded display if purchased at the same time and registered with a covered Mac computer. An Apple-branded mouse and keyboard are also covered under APP if included with the Covered Equipment (or purchased with a Mac mini). An AirPort Extreme Card, an AirPort Express or AirPort Extreme Base Station, Time Capsule, an Apple-branded DVI to ADC display adapter, Apple RAM modules and MacBook Air SuperDrive are also covered under APP if used with the compatible Covered Equipment and originally purchased by you within two (2) years from the purchase of the Covered Equipment. If during the Repair Coverage Period there is a defect in the materials or workmanship of the Covered Equipment or the other covered items described above, Apple will at its option, repair or replace the affected item.

(ii) Under APP for iPod, Apple will, at its option, repair or replace the affected Covered Equipment, if (a) during the Repair Coverage Period there is a defect in the Covered Equipment's materials or workmanship or, (b) during the Coverage Period, the capacity of the covered iPod battery to hold an electrical charge has depleted fifty (50%) percent or more from its original specification after being fully charged and the covered iPod is playing music with all settings reset.

(iii) Under APP for Apple Display or APP for Apple TV, Apple will, at its option, repair or replace the affected Covered Equipment, if during the Repair Coverage Period there is a defect in the Covered Equipment's materials or workmanship. An AirPort Extreme Card, an AirPort Express or AirPort Extreme Base Station and Time Capsule are also covered under APP for Apple TV if used with the Covered Equipment and originally purchased by you within two (2) years from the purchase of the Covered Equipment.

b. Limitations. The Plan does not cover:

(i) Installation, removal or disposal of the Covered Equipment, or installation, removal, repair, or maintenance of non-Covered Equipment (including accessories, attachments, or other devices such as external modems) or electrical service external to the Covered Equipment;

(ii) Damage to the Covered Equipment caused by accident, abuse, neglect, misuse (including faulty installation, repair, or maintenance by anyone other than Apple or an Apple Authorized Service Provider), unauthorized modification, extreme environment (including extreme temperature or humidity), extreme physical or electrical stress or interference, fluctuation or surges of electrical power, lightning, static electricity, fire, acts of God or other external causes;

(iii) Covered Equipment with a serial number that has been altered, defaced or removed;

(iv) Problems caused by a device that is not the Covered Equipment, including equipment that is not Apple-branded, whether or not purchased at the same time as the Covered Equipment;

(v) Service necessary to comply with the regulations of any government body or agency arising after the date of this Plan;

(vi) The provision of replacement equipment during the period when the Covered Equipment is being repaired;

(vii) Covered Equipment that has been lost or stolen. This Plan only covers Covered Equipment that is returned to Apple in its entirety;

(viii) Cosmetic damage to the Covered Equipment including but not limited to scratches, dents and broken plastic on ports;

(ix) Consumable parts, such as batteries, except in respect of battery coverage under APP for iPod or unless failure has occurred due to a defect in materials and workmanship;

(x) Preventative maintenance on the Covered Equipment;

(xi) Defects caused by normal wear and tear or otherwise due to normal aging of the product; or

(xii) Damage to, or loss of any software or data residing or recorded in the Covered Equipment. When providing repair or replacement service, Apple will use reasonable efforts to reinstall the Covered Equipment's original software configuration and subsequent update releases, but will not provide any recovery or transfer of software or data contained on the serviced unit not originally included in the Covered Equipment. DURING iPOD SERVICE THE CONTENTS OF YOUR iPOD WILL BE DELETED AND THE STORAGE MEDIA REFORMATTED. Your iPod or a replacement iPod will be returned to you as your iPod was configured when originally purchased, subject to applicable updates. Apple may install system software ("iPod OS") updates as part of your service that will prevent the iPod from reverting to an earlier version of the iPod OS. Third party applications installed on the iPod may not be compatible or work with the iPod as a result of the iPod OS update. You will be responsible for reinstalling all other software programs, data and passwords. Recovery and reinstallation of software programs and user data are not covered under this Plan.

c. Service Options. Apple may provide service through one or more of the following options:

(i) Carry-in service is available for most Covered Equipment. Return the Covered Equipment requiring service to an Apple-owned retail store or an Apple Authorized Service Provider location offering carry-in service. Service will be performed at the location, or the store or service provider may send the Covered Equipment to an Apple repair service location to be repaired. Once you are notified that service is complete, you will promptly retrieve the product.

(ii) Onsite service is available for many desktop computers if the location of the Covered Equipment is within 50 miles/80 kilometers radius of an Apple authorized onsite service provider located in the United States or Canada. Onsite service is not available for some parts. The service for parts that cannot be repaired by onsite service may be repaired under Do-It-Yourself Parts service as described below. Apple will dispatch a service technician to the location of the Covered Equipment. Service will be performed at the location, or the service technician will transport the Covered Equipment to an Apple Authorized Service Provider or Apple repair service location for repair. If the Covered Equipment is repaired at an Apple Authorized Service Provider or Apple repair service location, Apple will arrange for transportation of the Covered Equipment to your location following service. If the service technician is not granted access to the Covered Equipment at the appointed time, any further onsite visits may be subject to an additional charge.

(iii) Direct mail-in service is available for most Covered Equipment. If Apple determines that your Covered Equipment is eligible for mail-in service, Apple will send you prepaid way bills (and if you no longer have the original packaging, Apple may send you packaging material) and you will ship the Covered Equipment to Apple's repair service location in accordance with its instructions. Once service is complete, the Apple repair service location will return the Covered Equipment to you. Apple will pay for shipping to and from your location if all instructions are followed.

(iv) Do-It-Yourself Parts service is available for many Covered Equipment parts, allowing you to service your own product. If Do-It-Yourself Parts service is available in the circumstances, the following process will apply.

(A) Do-It-Yourself Parts service where Apple requires return of the replaced part. Apple may require a credit card authorization as security for the retail price of the replacement part and applicable shipping costs. If you are unable to provide credit card authorization, Do-It-Yourself Parts service may not be available to you and Apple will offer alternative arrangements for service. Apple will ship a replacement part to you with installation instructions and any requirements for the return of the replaced part. If you follow the instructions, Apple will cancel the credit card authorization, so you will not be charged for the part and shipping to and from your location. If you fail to return the replaced part as instructed or return a replaced part that is ineligible for service, Apple will charge the credit card for the authorized amount.

(B) Do-It-Yourself Parts service where Apple does not require return of the replaced part. Apple will ship you free of charge a replacement part accompanied by instructions on installation and any requirements for the disposal of the replaced part.

(C) Apple is not responsible for any labor costs you incur relating to Do-It-Yourself Parts service. Should you require further assistance, contact Apple at the toll-free telephone number listed below.

Apple reserves the right to change the method by which Apple may provide repair or replacement service to you, and your Covered Equipment's eligibility to receive a particular method of service, including but not limited to onsite service at any time. Service will be limited to the options available in the country where service is requested. Service options, parts availability and response times may vary according to country. You may be responsible for shipping and handling charges if the Covered Equipment cannot be serviced in the country it is in. If you seek service in a country that is not the country of purchase, you will comply with all applicable export laws and regulations and be responsible for all custom duties, V.A.T. and other associated taxes and charges. For international service, Apple may repair or exchange defective products and parts with comparable products and parts that comply with local standards.

d. Obtaining Repair or Replacement Service

To obtain service under this Plan, access the Apple website (www.apple.com/support) or call the toll-free telephone number listed below. Telephone numbers may vary according to your location. When accessing the website, follow the instructions for requesting repair service provided by Apple. If calling, an Apple technical support representative will answer, request your Plan Agreement Number or Covered Equipment serial number, advise you and determine what service is necessary for the Covered Equipment. All service is subject to Apple's prior approval. Location of service may vary due to your location. Keep your Plan Confirmation document and the original sales receipt for your Covered Equipment and your Plan. Proof of purchase may be required if there is any question as to your product's eligibility for Plan coverage.

2. Technical Support

a. **Telephone and Web Support.** Your eligibility for technical support begins on the date your Covered Equipment's complimentary technical support expires or the date your Coverage Period begins, whichever is later, and terminates at the end of the Coverage Period ("Technical Coverage Period"). During the Technical Coverage Period Apple will provide you with access to telephone technical support and web-based technical support resources. Technical support may include

assistance with installation, launch, configuration, troubleshooting, and recovery (except for data recovery), including storing, retrieving, and managing files; interpreting system error messages; and determining when hardware repairs are required. The scope of technical support provided to you will vary according to the Plan you purchased, as follows.

(i) Under APP, Apple will provide technical support for the Covered Equipment, Apple's operating system software ("Mac OS") and Apple-branded consumer applications pre-installed with the Covered Equipment ("Consumer Software"). Apple will provide support for the then-current version of the Mac OS and Consumer Software, and the prior Major Release. For purposes of this section, "Major Release" means a significant version of software that is commercially released by Apple in a release number format such as "1.0" or "2.0" and which is not in beta or pre-release form.

(ii) Under APP for iPod, Apple will provide technical support for the Covered Equipment, iPod OS and software applications that are pre-installed with the Covered Equipment (both referred to as "iPod Software") and connectivity issues between the Covered Equipment and a supported computer, meaning a computer that meets the Covered Equipment's connectivity specifications and runs an operating system that is supported by the Covered Equipment. Apple will provide support for the then-current version of the iPod Software, and the prior supported Major Release.

(iii) Under APP for Apple Display, Apple will provide technical support for the Covered Equipment and connectivity issues between the Covered Equipment and a supported computer, meaning a computer that meets the Covered Equipment's connectivity specifications and runs an operating system that is supported by the Covered Equipment. Apple will provide support for the then-current version of the operating system that it provides connectivity assistance for under APP for Apple Display, and the prior supported Major Release.

(iv) Under APP for Apple TV, Apple will provide technical support for the Covered Equipment, software applications that are pre-installed with the Covered Equipment ("Apple TV Software") and connectivity issues between the Covered Equipment, a supported computer and a supported television. Apple will provide support for the then-current version of the Apple TV Software and the prior supported Major Release. For purposes of this section, a "supported computer" means a computer that meets the Covered Equipment's connectivity specifications and runs an operating system that is supported by the Covered Equipment, and a "supported television" means a television that meets the Covered Equipment's connectivity specifications.

b. Limitations. The Plan does not cover:

(i) Your use of the Mac OS and Consumer Software as server-based applications;

(ii) Issues that could be resolved by upgrading software to the then current version;

(iii) Your use of or modification to the Covered Equipment, the Mac OS, iPod Software, Apple TV Software or Consumer Software in a manner for which the Covered Equipment or software is not intended to be used or modified;

(iv) Third-party products or their effects on or interactions with the Covered Equipment, the Mac OS, iPod Software, Apple TV Software or Consumer Software;

(v) Your use of a computer or operating system under APP for iPod that is unrelated to iPod Software or connectivity issues with the Covered Equipment;

(vi) Your use of a computer or operating system under APP for Apple Display that is unrelated to connectivity issues with the Covered Equipment;

(vii) Your use of a computer or operating system under APP for Apple TV that is unrelated to Apple TV Software or connectivity issues with the Covered Equipment;

(viii) Apple software other than the Mac OS, iPod Software, Apple TV Software or Consumer Software as covered under the applicable Plan;

(ix) Mac OS software for servers;

(x) Mac OS software or any Apple-branded software designated as "beta", "prerelease," or "preview" or similarly labeled software;

(xi) Third-party web browsers, email applications, and Internet service provider software, or the Mac OS configurations necessary for their use, or

(xii) Damage to, or loss of any software or data residing or recorded in the Covered Equipment.

c. Obtaining Technical Support

You may obtain technical support by calling the toll-free telephone number listed below. The Apple technical support representative will provide you technical support. Apple's hours of service are described below. Apple reserves the right to change its hours of technical service and telephone numbers at any time. Web-based support resources are offered to you at the Apple website (www.apple.com/support).

3. Your Responsibilities

To receive service or support under the Plan, you agree to comply with the following:

a. Provide your Plan Agreement Number and serial number of the Covered Equipment;

b. Provide information about the symptoms and causes of the problems with the Covered Equipment;

c. Respond to requests for information, including but not limited to the Covered Equipment serial number, model, version of the operating system and software installed, any peripherals devices connected or installed on the Covered Equipment, any error messages displayed, actions taken before the Covered Equipment experienced the issue and steps taken to resolve the issue;

d. Follow instructions Apple gives you, including but not limited to refraining from sending Apple products and accessories that are not subject to repair or replacement service and packing the Covered Equipment in accordance with shipping instructions; and

e. Update software to currently published releases prior to seeking service.

4. Limitation of Liability

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, APPLE AND ITS EMPLOYEES AND AGENTS WILL UNDER NO CIRCUMSTANCES BE LIABLE TO YOU OR ANY SUBSEQUENT OWNER FOR ANY INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO COSTS OF RECOVERING. REPROGRAMMING. OR REPRODUCING ANY PROGRAM OR DATA OR THE FAILURE TO MAINTAIN THE CONFIDENTIALITY OF DATA, ANY LOSS OF BUSINESS, PROFITS, REVENUE OR ANTICIPATED SAVINGS, RESULTING FROM APPLE'S OBLIGATIONS UNDER THIS PLAN. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE LIMIT OF APPLE AND ITS EMPLOYEES AND AGENT'S LIABILITY TO YOU AND ANY SUBSEQUENT OWNER ARISING UNDER THE PLAN SHALL NOT EXCEED THE ORIGINAL PRICE PAID FOR THE PLAN. APPLE SPECIFICALLY DOES NOT WARRANT THAT IT WILL BE ABLE TO (i) REPAIR OR REPLACE COVERED EQUIPMENT WITHOUT RISK TO OR LOSS OF PROGRAMS OR DATA, AND (ii) MAINTAIN THE CONFIDENTIALITY OF DATA. FOR CONSUMERS IN JURISDICTIONS WHO HAVE THE BENEFIT OF CONSUMER PROTECTION LAWS OR REGULATIONS. THE BENEFITS CONFERRED BY THIS PLAN ARE IN ADDITION TO ALL RIGHTS AND REMEDIES PROVIDED UNDER SUCH LAWS AND REGULATIONS. TO THE EXTENT THAT LIABILITY UNDER SUCH LAWS AND REGULATIONS MAY BE LIMITED, APPLE'S LIABILITY IS LIMITED, AT ITS SOLE OPTION, TO REPLACE OR REPAIR OF THE COVERED EQUIPMENT OR SUPPLY OF THE SERVICE. SOME STATES OR PROVINCES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO SOME OR ALL OF THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

5. Cancellation

You may cancel this Plan at any time for any reason. If you decide to cancel either call Apple at the telephone number below, or send or fax written notice with your Plan Agreement Number to AppleCare Administration, P.O. Box 149125, Austin, TX 78714-9125, U.S. (fax number 512-6748125). A copy of the Plan's original proof of purchase must accompany your notice. Unless local law provides otherwise, if you cancel within thirty (30) days of your Plan's purchase, or receipt of these Terms and Conditions, whichever occurs later, you will receive a full refund less the value of any service provided under the Plan. If you cancel more than thirty (30) days after your receipt of this Plan, you will receive a pro rata refund of the original purchase price, based on the percentage of unexpired Coverage Period, less (a) a cancellation fee of twenty-five (\$25 USD) dollars or ten

percent (10%) of the pro-rata amount, whichever is less, and (b) the value of any service provided to you under the Plan. Unless applicable local law provides otherwise, Apple may cancel this Plan if service parts for the Covered Equipment become unavailable, upon thirty (30) days' prior written notice. If Apple cancels this Plan, you will receive a pro-rata refund for the Plan's unexpired term.

6. Transfer of Plan

Subject to the restrictions set forth below, you may make a one-time permanent transfer of all of your rights under the Plan to another party, provided that: (a) the transfer must include the original Proof of Purchase, the Plan's Certificate and all of the Plan's packaging material, including printed materials and these Terms and Conditions; (b) you notify Apple of the transfer by sending, faxing or e-mailing notice of transfer to Apple Inc., ATTN: Agreement Administration, MS: 217AC, 2511 Laguna Blvd, Elk Grove, CA 95758, U.S., fax number 916-399-7337 or agmts_transfer@apple.com, respectively; and (c) the party receiving the Plan reads and agrees to accept the Terms and Conditions of the Plan. When notifying Apple of the transfer of the Plan, you must provide the Plan Agreement Number, the serial numbers of the Covered Equipment being transferred and the name, address, telephone number and email address of the new owner.

7. General Terms

a. Apple may subcontract or assign performance of its obligations to third parties but shall not be relieved of its obligations to you in doing so.

b. Apple is not responsible for any failures or delays in performing under the Plan that are due to events outside Apple's reasonable control.

c. You are not required to perform preventative maintenance on the Covered Equipment to receive service under the Plan.

d. This Plan is offered and valid only in the fifty states of the United States of America, the District of Columbia and Canada. This Plan is not offered to persons who have not reached the age of majority. This Plan is not available where prohibited by law.

e. In carrying out its obligations Apple may, at its discretion and solely for the purposes of monitoring the quality of Apple's response, record part or all of the calls between you and Apple.

f. You agree that any information or data disclosed to Apple under this Plan is not confidential or proprietary to you. Furthermore, you agree that Apple may collect and process data on your behalf when it provides service. This may include transferring your data to affiliated companies or service providers located in countries where data protection laws may be less comprehensive than your country of residence, including but not limited to Australia, Canada, countries of the European Union, India, Japan, the People's Republic of China and the U.S.

g. Apple has security measures, which should protect your data against unauthorized access or disclosure as well as unlawful destruction. You will be responsible for the instructions you give to Apple regarding the processing of data, and Apple will seek to comply with those instructions as reasonably necessary for the performance of the service and support obligations under the Plan. If you do not agree with the above or if you have questions regarding how your data may be impacted by being processed in this way, contact Apple at the telephone numbers provided.

h. Apple will protect your information in accordance with Apple Customer Privacy Policy available at URL www.apple.com/legal/privacy. If you wish to have access to the information that Apple holds concerning you or if you want to make changes, access URL www.apple.com/contact/myinfo to update your personal contact preferences or you may contact Apple at privacy@apple.com.

i. The Terms and Conditions of this Plan prevail over any conflicting, additional, or other terms of any purchase order or other document, and constitute your and Apple's entire understanding with respect to the Plan.

j. Apple is not obligated to renew this Plan. If Apple does offer a renewal, it will determine the price and terms.

k. There is no informal dispute settlement process available under this Plan.

I. For Plans sold to residents of North Carolina, "Apple" is Apple Inc., a California corporation with its registered office at 1 Infinite Loop, Cupertino, California 95014, and the obligations of such Plans

are backed by the full faith and credit of the provider, Apple Inc. For Plans sold to residents of all other states in the United States, "Apple" is **AppleCare Service Company, Inc.** an Arizona corporation with its registered office at c/o CT Corporation System, 2394 East Camelback Road, Phoenix, Arizona 85016, doing business in the state of Texas as Apple CSC, Inc., and the obligations of such Plans are backed by the full faith and credit of the provider, AppleCare Service Company, Inc. For Plans sold in Canada, "Apple" is Apple Canada Inc., 7495 Birchmount Road, Markham, Ontario, L3R 5G2, Canada. Apple Canada Inc. is the legal and financial obligor for Plans sold in Canada.

m. The Administrator for Plans sold to in the United States is Apple Inc. (the "Administrator"). The Administrator is responsible for the collection and transfer to AppleCare Service Company, Inc. of the purchase price for the Plan and for the administration of claims under the Plan.

n. Except where prohibited by law, the laws of the state of California govern Plans purchased in the United States. Except where prohibited by law, the laws of the province of Ontario govern Plans purchased in Canada. If the law of any jurisdiction where this Plan is purchased is inconsistent with these terms, including the jurisdictions of Arizona, Florida, Georgia, Nevada, Oregon, Vermont, Washington, and Wyoming, the law of that jurisdiction will control.

- o. Support services under this Plan may be available in English and French only.
- p. There is no deductible payment due in respect of a claim made under this Plan.

8. State Variations

The following state variations will control if inconsistent with any other provisions of this Plan:

Alabama, California, Hawaii, Maryland, Minnesota, Missouri, New Mexico, New York, Nevada, South Carolina, Texas, Washington and Wyoming Residents

If you cancel this Plan pursuant to Section 5 of these Terms and Conditions, and we fail to refund the purchase price to you within thirty (30) days for California, New York, Missouri and Washington residents, within forty-five (45) days for Alabama, Hawaii, Maryland, Minnesota, Nevada, South Carolina, Texas and Wyoming residents, and within sixty (60) days for New Mexico residents, we are required to pay you a penalty of 10% per month for the unpaid amount due and owing to you. The right to cancel and receive this penalty payment only applies to the original owner of the Agreement and may not be transferred or assigned. The obligations of the provider under this service contract are backed by the full faith and credit of the provider, AppleCare Service Company, Inc.

California Residents

If you cancel within thirty (30) days of your Plan receipt, you will receive a full refund less the value of any service provided under the Plan.

Colorado Residents

Notice: This Plan is subject to the Colorado Consumer Protection Act or the Unfair Practices Act, Articles 1 and 2 of Title 6, CRS.

Connecticut Residents

The expiration date of the Plan will automatically be extended by the period that the Covered Equipment is in Apple's custody while being serviced. Resolution of Disputes: Disputes may be resolved by arbitration. Unresolved disputes or complaints may be mailed, with a copy of this Plan, to State of Connecticut, Insurance Dept., P.O. Box 816, Hartford, CT 06142-0846, Attn: Consumer Affairs.

Florida Residents

The laws of the State of Florida will govern this Plan and any disputes arising under it.

Michigan Residents

If performance of the service contract is interrupted because of a strike or work stoppage at the company's place of business, the effective period of the service contract shall be extended for the period of the strike or work stoppage.

Nevada Residents

Cancellations: No Plan that has been in effect for at least 70 days may be canceled by the provider before the expiration of the agreed term or one year after the effective date of the Plan, whichever occurs first, except on the following grounds:

a. Failure by the holder to pay an amount due;

b. Conviction of the holder of a crime which results in an increase in the service required;

c. Discovery of fraud or material misrepresentation by the holder in obtaining the Plan, or in presenting a claim for service thereunder;

d. Discovery of an act or omission by the holder, or a violation by the holder of any condition of the Plan, which occurred after the effective date of the Plan and which substantially and materially increases the service required under the Plan;

e. A material change in the nature or extent of the required service or repair which occurs after the effective date of the Plan and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time that the Plan was issued or sold.

Grounds for cancellation; date cancellation effective. No cancellation of a service contract may become effective until at least 15 days after the notice of cancellation is mailed to the holder.

Cancellation of contract; Refund of purchase price; cancellation fee.

(i) If Apple cancels this Plan, Apple shall refund to Nevada consumers the portion of the purchase price that is unearned. Apple may deduct any outstanding balance on your account from the amount of the purchase price that is unearned when calculating the amount of the refund. If Apple cancels a contract pursuant to NRS 690C.270, it may not impose a cancellation fee.

(ii) Except as otherwise provided in this section, a Nevada resident who is the original purchaser of this Plan, who submits to Apple a request in writing to cancel the Plan in accordance with the terms of the Plan, shall receive a refund of the portion of the Plan's purchase price that is unearned.

(iii) If you request the cancellation of this Plan pursuant to subsection (ii), Apple may impose the cancellation fee described in the Plan, but will not deduct the value of any service provided.

(iv) When Apple calculates the amount of a refund pursuant to subsection (ii), it may deduct from the portion of the purchase price that is unearned: (a) any outstanding balance on the account; and (b) any cancellation fee imposed pursuant to this Plan.

AppleCare Service Company, Inc. backs this Plan for Nevada residents by its full faith and credit.

New Hampshire Residents

In the event you do not receive satisfaction under this contract, you may contact the New Hampshire insurance department, by mail at State Of New Hampshire Insurance Department, 21 South Fruit Street, Suite 14,Concord NH 03301, or by telephone, via Consumer Assistance, at 800 852-3416.

New Mexico Residents

Cancellations: No Plan that has been in effect for at least 70 days may be canceled by the provider before the expiration of the agreed term or one year after the effective date of the Plan, whichever occurs first, except on the following grounds:

a. Failure by the holder to pay an amount due;

b. Conviction of the holder of a crime which results in an increase in the service required;

c. Discovery of fraud or material misrepresentation by the holder in obtaining the Plan, or in presenting a claim for service thereunder;

d. Discovery of an act or omission by the holder, or a violation by the holder of any condition of the Plan, which occurred after the effective date of the Plan and which substantially and materially increases the service required under the Plan;

e. A material change in the nature or extent of the required service or repair which occurs after the effective date of the Plan and which causes the required service or repair to be substantially and materially increased beyond that contemplated at the time that the Plan was issued or sold.

North Carolina Residents

The purchase of this Plan is not required either to purchase or to obtain financing for computer equipment. Apple will not cancel this plan **EXCEPT** for failure to pay the purchase price for the Plan.

Oregon Residents

In the event you do not receive satisfaction under this contract, you may contact the Oregon Department of Consumer and Business Services by mail at the Department of Consumer and Business Services, Oregon Insurance Division, 350 Winter Street NE, Salem, OR 97301; or by telephone via Consumer Advocacy, at 888-877-4894.

South Carolina Residents

Unresolved complaints or Plan regulation questions may be addressed to the South Carolina Department of Insurance, P.O. Box 100105, Columbia, South Carolina 29202-3105, Tel: 1-800768-3467.

Tennessee Residents

This Plan shall be extended as follows: (1) the number of days the consumer is deprived of the use of the product because the product is in repair; plus two (2) additional workdays.

Texas Residents

The provider may cancel this Plan with no prior notice for non-payment, misrepresentation or a substantial breach of a duty by the holder relating to the Covered Equipment or its use. Unresolved complaints or Contract regulation questions may be addressed to the TX Dept. of Licensing and Regulation, P.O. Box 12157, Austin, TX 78711, U.S.

Wisconsin Residents

THIS WARRANTY IS SUBJECT TO LIMITED REGULATION BY THE OFFICE OF THE COMMISSIONER OF INSURANCE

If you cancel within thirty (30) days of your Plan's purchase, or receipt of these Terms and Conditions, whichever occurs later, you will receive a full refund. If you cancel more than thirty (30) days after your receipt of the Plan, you will receive a pro-rata refund of the original purchase price, based on the percentage of unexpired Coverage Period, less a cancellation fee of twenty-five (\$25 USD) dollars or ten percent (10%) of the pro-rata amount, whichever is less. No deduction shall be made from the refund for the cost of any service received. Apple will not cancel this plan **EXCEPT** for failure to pay the purchase price for the plan. If Apple cancels the Plan, you will receive a pro-rata refund for the Plan's unexpired term.

Wyoming Residents

If Apple cancels this Plan, Apple will mail to you written notice of the cancellation at your last known address contained in Apple's records no less than ten (10) days prior to the effective cancellation date. The prior written notice will contain the effective date of cancellation and the reasons for cancellation. Apple is not obligated to provide prior notice if cancellation is due to nonpayment of the Plan, a material misrepresentation by you to Apple, a substantial breach of your duties under the Plan or a substantial breach of your duties relating to the Covered Equipment or its use. Disputes arising under this Plan may be settled in accordance with the Wyoming Arbitration Act.

Toll-Free Numbers

In the U.S.:	In Canada:
800-APL-CARE (800-275-2273)	800-263-3394
Seven days a week	Seven days a week
8:00 A.M. to 8:00 P.M. central time *	9:00 A.M. to 9:00 P.M. eastern time *

* Telephone numbers and hours of operation may vary and are subject to change. You can find the most up-to-date local and international contact information at www.apple.com/contact/phone_contacts.html. Toll-free numbers are not available in all countries.

APP NA v.5.2

EXHIBIT 3

Apple Inc. Repair Terms and Conditions

(U.S. Retail Repairs)

These are the Terms and Conditions governing the repair of your product by Apple Inc. ("Apple").

1. Apple will repair your product as described and for the charges shown on the reverse side (unless such charges are revised with your oral or written consent). When the product is covered by warranty or an extended service contract, such as the AppleCare Protection Plan, Apple will perform repairs under the terms of the warranty or the extended service contract, provided that you have presented satisfactory proof of the product's eligibility for such repairs. You will be responsible for any additional charges applicable under your product's warranty or extended service contract described on the reverse side, including any applicable tax. Apple may subcontract with other service providers for the repair of your product.

2. Unless your product is repaired under warranty or extended service contract without charge, you will pay Apple the amount shown on the reverse side. Your payment is due when the product is returned to you. Unless specified otherwise, the estimated amount includes all parts, labor, and certain transportation required for the repair of the product plus any applicable tax. Apple may hold you responsible for the diagnostic fee on the reverse side, plus any applicable tax, if Apple inspects your product, provides an estimate for you, and you do not authorize Apple to undertake the repairs for the estimated charges. If Apple determines, while inspecting your product, that repairs are needed due to failures of parts that are neither supplied by Apple nor Apple branded or are needed due to damage caused by abuse, misuse or misapplication, Apple reserves the right to return the product to you without repairing it, and will hold you responsible for the diagnostic fee on the reverse side, plus any applicable tax.

3. If the requested repairs require labor and/or parts not specified on the reverse side, Apple may seek your approval of a revised estimate. If you do not agree that Apple may revise the charges, Apple may return your product and hold you responsible for the diagnostic fee shown on the reverse side, plus any applicable tax.

4. If repairing your product under your product's warranty or extended service contract, Apple may use new, used or reconditioned parts, if permitted by the terms. If repairing parts outside of warranty or extended service contract, Apple may use new, used or reconditioned parts. Apple will retain the replaced part that is exchanged under repair service as its property, and the replacement part will become your property. Replaced parts are generally repairable and are exchanged or repaired by Apple for value. If applicable law requires Apple to return a replaced part to you, you agree to pay Apple the additional cost of the replacement item.

5. If Apple repairs your product under warranty or extended service contract, the repairs will be covered solely by the terms of the warranty or extended service contract and applicable provisions of law. If your product is repaired outside of warranty, Apple warrants (1) that the repairs will be performed in a competent and workmanlike manner and (2) that all parts used to repair your product will be free from defects in materials and workmanship for a period of ninety (90) days, unless otherwise specified by Apple. Information on your product's parts warranty may be obtained by contacting Apple at 800-APL-CARE. The warranty on parts is an express limited warranty. If a defect exists in a replacement part during the part's warranty period, at its option, Apple will (1) repair the part, using new, used or reconditioned replacement parts, (2) replace the part with a new, used or reconditioned equivalent part, or (3) refund the fair market value of the part, as determined by Apple. THIS WARRANTY AND REMEDY ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, REMEDIES, AND CONDITIONS, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, WITH RESPECT TO THE REPAIR PARTS. APPLE SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES WITH RESPECT TO SUCH PARTS, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IF APPLE CANNOT LAWFULLY DISCLAIM IMPLIED WARRANTIES UNDER THIS LIMITED WARRANTY, ALL SUCH WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE LIMITED IN DURATION TO THE DURATION OF THE EXPRESS LIMITED WARRANTY. Some states and provinces do not allow the exclusion or limitation of incidental or consequential damages or exclusions or limitations on the duration of implied warranties or conditions, so these limitations or exclusions may not apply to

Legal Information

End User Software License Agreements Hardware Warranties iPhone Warranty Original iPhone iPhone 3G Privacy Policy iTunes Store Terms Sales Policies Apple Global Online Support site (AGOS) English Français (French) Deutsch (German) 日本語 (lapanese) Apple Online Store Apple Online Store for K12 Schools Apple Online Store for Higher Education Retail Store Apple Online Store for Education Individuals Apple Authorized U.S. Reseller Service Products AppleCare Protection Plan for 1:1 Learning Solutions (PDF) AppleCare Service Plan AppleCare Protection Plan AppleCare Protection Plan for iPhone AppleCare Protection Plan for iPad AppleCare Repair Agreement AppleCare Parts Agreement Bomgar Remote Support Software AppleCare Premium Service and Support Plan Terms and Conditions AppleCare Technical Support Services Terms and Conditions Remote Support Terms and Conditions (Bomgar Software) (PDF) Terms of Service Web Site Terms and Conditions of Use Apple Print Services Terms of Use Apple Print Services Sales Policies & Ordering Information MobileMe Terms of Service iWork.com Public Beta Terms of Service One to One Terms and Conditions ProCare Terms and Conditions iChat Account Terms of Service iTunes Store Terms of Service iTunes Store Gift Certificates and Allowances Terms and Conditions iTunes Store Terms of Sale Discussions Terms and Conditions Repair Terms and Conditions iPhone Service Retail Store Service General Service (English) General Service (Dutch) General Service (Spanish) General Service (Italian) General Service (Japanese) General Service (German) General Service (Swedish) General Service (French) Express Replacement Service for iPhone In Warranty Terms and Conditions Out of Warranty Terms and Conditions

you. The express limited warranty on repair parts gives you specific legal rights, and you may also have other rights that vary by state or province.

6. TO THE MAXIMUM EXTENT PERMITTED BY LAW, APPLE AND ITS AFFILIATES, WILL UNDER NO CIRCUMSTANCES BE LIABLE FOR ANY SPECIAL. INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES RESULTING FROM PERFORMANCE OF ANY REPAIR SERVICES, INCLUDING BUT NOT LIMITED TO LOSS OF REVENUE: LOSS OF ACTUAL OR ANTICIPATED PROFITS (INCLUDING LOSS OF PROFITS ON CONTRACTS); LOSS OF THE USE OF MONEY; LOSS OF ANTICIPATED SAVINGS; LOSS OF BUSINESS; LOSS OF OPPORTUNITY; LOSS OF GOODWILL; LOSS OF REPUTATION; LOSS OF, DAMAGE TO, OR CORRUPTION OF DATA; OR ANY COSTS OF RECOVERING, PROGRAMMING, OR RESTORING ANY PROGRAM OR DATA STORED OR USED WITH YOUR PRODUCT AND ANY FAILURE TO MAINTAIN THE CONFIDENTIALITY OF DATA STORED ON YOUR PRODUCT. THE FOREGOING LIMITATION SHALL NOT APPLY TO DEATH OR PERSONAL INJURY CLAIMS. APPLE SPECIFICALLY DOES NOT WARRANT THAT IT WILL BE ABLE TO (i) REPAIR OR REPLACE YOUR PRODUCT WITHOUT RISK TO OR LOSS OF PROGRAMS OR DATA, AND (ii) MAINTAIN THE CONFIDENTIALITY OF DATA. IF ANY PRODUCT SHOULD BE DAMAGED OR LOST WHILE IN APPLE'S CUSTODY, APPLE'S LIABILITY WILL BE LIMITED TO THE COST OF REPAIR OR REPLACEMENT OF THE AFFECTED PRODUCT. OTHERWISE, APPLE'S LIABILITY FOR ANY AND ALL DAMAGE SHALL IN NO EVENT EXCEED THE PAYMENTS RECEIVED BY APPLE FOR SERVICES PROVIDED PURSUANT TO THESE TERMS. THE REMEDIES SET FORTH HEREIN SHALL BE YOUR SOLE AND EXCLUSIVE REMEDIES FOR ANY BREACH BY APPLE UNDER THESE TERMS AND CONDITIONS. APPLE IS NOT LIABLE FOR LOSS OR CORRUPTION OF DATA OR YOUR CONFIDENTIAL, PROPRIETARY OR PERSONAL INFORMATION OR REMOVABLE DATA. BEFORE YOU BRING IN YOUR PRODUCT FOR ANY REPAIR SERVICE, YOU SHOULD MAKE A BACKUP COPY OF YOUR DATA AND REMOVE ANY CONFIDENTIAL, PROPRIETARY OR PERSONAL INFORMATION AND REMOVABLE MEDIA SUCH AS FLOPPY DISKS, CDS OR PC CARDS,

7. If you have not claimed your product and paid all charges due within sixty (60) days after being notified by Apple that your product has been repaired, Apple will consider your product abandoned. Apple will provide such notice to you at the mailing address you furnished when you authorized the repairs. Apple may dispose of your product in accordance with applicable provisions of law, and, specifically, may sell your product at a private or public sale without liability to you. Apple reserves its statutory and any other lawful liens for unpaid charges.

8. If repair service involves transferring information or installing software, you represent that you have the legal right to copy the information and agree to the terms of the software license, and you authorize Apple to transfer the information and accept such terms on your behalf in performing the service.

9. These Terms and Conditions are governed by the laws of the State of California (without giving effect to its conflict of law provisions). If any provision of these Terms and Conditions is held to be illegal or unenforceable, that provision will no longer be part of the Terms and Conditions, and the Terms and Conditions will be enforceable as though that provision never was a part of them.

10. These Terms and Conditions are the only ones that govern Apple's repair of your product. No other oral or written terms or conditions apply, including ones in any purchase order that you provide to Apple. No one has the authority from Apple to vary any of these Terms and Conditions.

11. Apple products are subject to United States and foreign export control laws and regulations, and must be purchased, sold, exported, re-exported, transferred, or used in compliance with such export laws and regulations.

12. You agree and understand that it is necessary for Apple to collect, process and use your data in order to perform the service and support obligations under these Terms and Conditions. Apple will protect your information in accordance with Apple Customer Privacy Policy available at URL www.apple.com/legal/privacy. If you wish to have access to the information that Apple holds concerning you or if you want to make changes, access URL www.apple.com/contact/myinfo to update your personal contact preferences.

NOTICES TO CALIFORNIA CONSUMERS

1. AN ESTIMATE FOR REPAIRS, AS REQUIRED (SECTION 9844 OF THE CALIFORNIA BUSINESS AND PROFESSIONS CODE), SHALL BE GIVEN TO THE CUSTOMER BY THE SERVICE DEALER IN WRITING. THE SERVICE DEALER MAY NOT CHARGE FOR WORK DONE OR PARTS SUPPLIED IN EXCESS OF THE ESTIMATE WITHOUT THE PRIOR CONSENT OF THE CUSTOMER. WHERE PROVIDED IN WRITING THE SERVICE DEALER MAY CHARGE A REASONABLE FEE FOR SERVICES PROVIDED IN

Training Service Terms and Conditions Policies Unsolicited Idea Submission Policy Privacy Policy Trademark, Copyright and Intellectual Property Trademark List Copyright Apple Web Badges **Piracy Prevention** Guidelines for Trademarks and Copyrights FileMaker Legal Information NeXT Trademark List Training and Certification Agreements and Policies Legal Contacts **Export Compliance Supplier Provisions**

DETERMINING THE NATURE OF THE MALFUNCTION IN PREPARATION OF A WRITTEN ESTIMATE FOR REPAIR. FOR INFORMATION, CONTACT THE BUREAU OF ELECTRONIC AND APPLIANCE REPAIR, DEPARTMENT OF CONSUMER AFFAIRS, SACRAMENTO, CA 95814.

2. A BUYER OF THIS PRODUCT IN CALIFORNIA HAS THE RIGHT TO HAVE THIS PRODUCT SERVICED AND REPAIRED DURING THE WARRANTY PERIOD. THE WARRANTY PERIOD WILL BE EXTENDED FOR THE NUMBER OF WHOLE DAYS THAT THE PRODUCT HAS BEEN OUT OF THE BUYER'S HANDS FOR WARRANTY REPAIRS. IF A DEFECT EXISTS DURING THE WARRANTY PERIOD, THE WARRANTY WILL NOT EXPIRE UNTIL THE DEFECT HAS BEEN FIXED. THE WARRANTY PERIOD ALSO WILL BE EXTENDED IF THE WARRANTY REPAIRS HAVE NOT BEEN PERFORMED DUE TO DELAYS CAUSED BY CIRCUMSTANCES BEYOND THE CONTROL OF THE BUYER, OR IF THE WARRANTY REPAIRS DID NOT REMEDY THE DEFECT AND THE BUYER NOTIFIES THE MANUFACTURER OR SELLER OF THE FAILURE OF THE REPAIRS WITHIN SIXTY (60) DAYS AFTER THEY WERE COMPLETED. IF, AFTER A REASONABLE NUMBER OF ATTEMPTS, THE DEFECT HAS NOT BEEN FIXED, THE BUYER MAY RETURN THIS PRODUCT FOR A REPLACEMENT OR A REFUND SUBJECT, IN EITHER CASE, TO DEDUCTION OF A REASONABLE CHARGE FOR USAGE. THE TIME EXTENSION DOES NOT AFFECT THE PROTECTION OR REMEDIES THE BUYER HAS UNDER OTHER LAWS.

EXHIBIT 4

Advanced Search

Search Support (Q Enter keywords or serial number Search Tips



iPhone and iPod: Water damage is not covered by warranty

Last Modified: September 10, 2009 Article: HT3302

Summary

If an iPhone or iPod has been damaged by liquid, the repair is not covered by the Apple one (1) year limited warranty or an AppleCare Protection plan (APP). iPhone models and iPod models that were built after 2006 have built-in Liquid Submersion Indicators that will show (as described below) whether liquid has entered the device.

Products Affected

iPhone, iPod nano (3rd generation), iPod classic, iPod touch, iPod nano (5th generation), iPod shuffle (3rd generation), iPod classic (120 GB), iPod nano (4th generation)

iPhone and iPod products are equipped with Liquid Submersion Indicators in the bottom of the headphone jack. iPhone 3G and iPhone 3GS models also have an indicator on the bottom of the dock-connector housing.These indicators will be activated when they come in direct contact with liquid. They are designed not to be triggered by humidity and temperature changes that are within the product's environmental requirements described by Apple.

You can tell if the headphone-jack Liquid Submersion Indicator has been triggered by looking directly down into the headphone jack. Use a lighted magnifying glass or angle the iPhone or iPod so light shines down into the headphone jack. At the base of the headphone jack, you should see what is normally a white or silver-colored dot. Half the dot becomes red or pink when the device has been submerged in liquid. To view the dock-connector indicator on iPhone 3G or iPhone 3GS, use a lighted magnifying glass and hold the device so that you can view the center bottom of the dock-connector housing. A full or partial red dot will appear if the indicator has been triggered.

The following images show how the indicator appears when an iPhone or iPod has been exposed to liquid:

Product	Liquid Submersion Indicator location
iPhone 3G/iPhone 3GS	
iPhone	
iPod touch	
iPod nano	

iPod classic	
iPod shuffle (3rd generation)	

Corrosion, if evident, leads to the irreversible deterioration or degradation of metal components and may cause the device to not work properly. The following pictures are examples of corrosion:





For further information regarding iPhone and iPod Service and Warranty, click the links below:

http://www.apple.com/support/iphone/service/faq/

or

http://www.apple.com/support/ipod/service/faq/



Still need help? Speak to an Apple Expert

Arrange a phone call with one of our Apple Experts who specializes in your exact question. Talk to us now or later at your convenience. We'll even call you. Get started

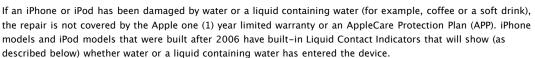
NOTE: Callbacks are currently only available for U.S. and Canada phone numbers.

EXHIBIT 5

iPhone and iPod: Water damage is not covered by warranty

Last Modified: December 22, 2009 Article: HT3302

Summary



M L. A

Products Affected

iPhone, iPod nano (3rd generation), iPod classic, iPod touch, iPod nano (5th generation), iPod shuffle (3rd generation), iPod classic (120 GB), iPod nano (4th generation)

iPhone and iPod products are equipped with Liquid Contact Indicators in the bottom of the headphone jack. iPhone 3G and iPhone 3GS models also have an indicator on the bottom of the dock-connector housing.These indicators will be activated when they come in direct contact with water or a liquid containing water. They are designed not to be triggered by humidity and temperature changes that are within the product's environmental requirements described by Apple.

You can tell if the headphone-jack Liquid Contact Indicator has been triggered by looking directly down into the headphone jack. Use a lighted magnifying glass or angle the iPhone or iPod so light shines down into the headphone jack. At the base of the headphone jack, you should see what is normally a white or silver-colored dot. The dot will become full or half red or pink when the dot has come in contact with water or a liquid containing water. To view the dock-connector indicator on iPhone 3G or iPhone 3GS, use a lighted magnifying glass and hold the device so that you can view the center bottom of the dock-connector housing. A full or partial red dot will appear if the indicator has been triggered.

The following images show how the indicator appears when an iPhone or iPod has been exposed to water or a liquid containing water:

Product	Liquid Contact Indicator location
iPhone 3G/iPhone 3GS	
iPhone	
iPod touch	
iPod nano	

iPhone and iPod: Water damage is not covered by warranty

iPod classic	
iPod shuffle (3rd generation)	

Corrosion, if evident, leads to the irreversible deterioration or degradation of metal components and may cause the device not to work properly. The following pictures are examples of corrosion:





For further information regarding iPhone and iPod Service and Warranty, click the links below:

http://www.apple.com/support/iphone/service/faq/

or

http://www.apple.com/support/ipod/service/faq/



Still need help? Speak to an Apple Expert

Arrange a phone call with one of our Apple Experts who specializes in your exact question. Talk to us now or later at your convenience. We'll even call you. Get started

NOTE: Callbacks are currently only available for U.S. and Canada phone numbers.

EXHIBIT 6

Browse Support

iPhone

All products... \$

Related Products

iTunes

MobileMe

iPhone Bluetooth Headset

1. How can I tell if my iPhone needs service?

Find repair options for the U.S. Virgin Islands and Puerto Rico.

- 2. How do I get my iPhone serviced?
- 3. Can I get my iPhone serviced outside the country of purchase?
- 4. How long will my iPhone service take? 5. Will the data on my iPhone be preserved?
- 6. How do I check the status of my iPhone service request?
- 7. I just received my iPhone back from service. What do I need to do to make and receive calls?

iPhone Service: Frequently Asked Questions

- 8. What are my service options?
- 9. I'm concerned about not having a phone while my iPhone is being serviced. What are my options?

Warranty

Repair

- 1. How long is my iPhone covered by Apple's warranty?
- 2. How can I tell if my iPhone is in-warranty?
- 3. How much will my in-warranty service be?
- 4. What type of damages are not covered by my warranty?
- 5. Can I extend service coverage on my iPhone beyond the warranty?
- 6. Does Apple warranty cover my iPhone service?
- 7. My iPhone is not eligible for warranty service. What are my service options?

Accessories

1. One of my iPhone accessories isn't working. Can I order a replacement?

Repair

1. How can I tell if my iPhone needs service?

Visit our iPhone support site for helpful troubleshooting information. If you have reviewed the articles on the website and you're still not sure whether your iPhone requires service, you can contact Apple Technical Support or take your iPhone to your local Apple Retail Store for diagnosis. Note: There may be a fee for diagnostic service.

2. How do I get my iPhone serviced?

Contact Apple Technical Support or take your iPhone to an Apple Retail Store near you. AT&T stores do not provide service. Note: Please do not send any accessories with your iPhone because they will not be returned to you.

3. Can I get my iPhone serviced outside the country of purchase?

No, service for eligible repairs is only available in the country where your iPhone was originally purchased.

4. How long will my iPhone service take?

The service process normally takes up to three business days if arranged through Apple Technical Support. Service in an Apple Retail Store is normally completed while you wait.

5. Will the data on my iPhone be preserved?

No, during the service process all data on your iPhone will be erased. Before obtaining service, it is important to sync your iPhone with iTunes to back up your contacts, photos, email account settings, text messages, and more. Apple is not responsible for the loss of information while servicing your iPhone and does not offer any data transfer service.

Following service your replacement iPhone may have a newer version of the iPhone OS. As a result you may need to update your App Store applications to ensure compatibility with the new iPhone OS. If you experience a problem with an application purchased from the App Store, check iTunes to see if an update is available or contact the application vendor directly.

6. How do I check the status of my iPhone service request?

You can check the status of your iPhone service at any time with our easy-to-use Check My Repair Status tool.

7. I just received my iPhone back from service. What do I need to do to make and receive calls?

When you receive your replacement iPhone, simply insert the SIM card and sync with iTunes while connected to the Internet. After that, you will be able to make calls, receive calls, and use all other iPhone features.

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8. What are my service options?

You have the following service options:

- a. You can make an appointment with a Mac Genius and bring your iPhone to an Apple Retail Store.
- b. You may contact Apple Technical Support and arrange mail-in service.
- 9. I'm concerned about not having a phone while my iPhone is being serviced. What are my options?

You have the following options to minimize the impact of not having a phone while your iPhone is being serviced:

- a. You can make an appointment with a Mac Genius at an Apple Store. If the Mac Genius determines that the iPhone has a hardware issue requiring service, you will receive an immediate replacement under warranty or if you have the AppleCare Protection Plan for iPhone. Out-of-Warranty Service is available for a service charge.
- b. If you have another GSM cell phone available, you can put the SIM card into your other phone and use that phone until you receive a replacement iPhone.
- c. If you are arranging service via Apple Technical Support, Apple also provides the following additional services:
 - Advance Replacement Service for iPhone at a cost of \$29 plus applicable taxes for customers eligible for warranty, AppleCare Protection Plan, or Out-of-Warranty Service. This charge is waived for AppleCare Protection Plan customers. For more details please review the Advance Replacement Service for iPhone FAQs.

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Warranty

1. How long is my iPhone covered by Apple's warranty?

Apple's Limited Warranty for iPhone covers your iPhone for one year. Warranty service for eligible repairs is available at no charge for twelve months from the date of original retail purchase ("date of purchase").

2. How can I tell if my iPhone is in warranty?

Apple's Limited Warranty for iPhone covers your iPhone for one year from the date of original purchase. Apple's Limited Warranty begins on the date that the iPhone was originally purchased. To determine your warranty coverage, enter the serial number of your iPhone in the Online Service Assistant section on the Apple Support site. Apple may need to examine your proof of purchase document to verify your iPhone's warranty status.

Note: The service coverage information described at the Apple Support site is based on the date of purchase information available to Apple, depending on when or whether you registered your product or if you purchased it from an Apple authorized reseller. If you believe that the information is inaccurate, please update the information by contacting Apple using the appropriate links on the Apple Support site.

3. How much will my in-warranty service be?

Warranty service for eligible repairs is available at no charge for twelve months from the date of purchase. After you return the iPhone that needs service, Apple will examine the iPhone to confirm that the failure is covered by Apple warranty.

4. What type of damages are not covered by my warranty?

Apple's Limited Warranty for iPhone excludes coverage for damage resulting from accident, disassembly, unauthorized service and unauthorized modifications. Please review the warranty for further details.

An iPhone that is ineligible for warranty service may be eligible for Out-of-Warranty (OOW) Service. For example, an iPhone that has failed due to damage or liquid damage is ineligible for warranty service but eligible for OOW service. However, certain damage is ineligible for OOW service, including catastrophic damage, such as the device separating into multiple pieces, and inoperability caused by unauthorized modifications. Please see Apple's Repair Terms And Conditions for further details. Refer to this article to check if the Liquid Contact indicator on your product has been triggered.

5. Can I extend service coverage on my iPhone beyond the warranty?

The AppleCare Protection Plan for iPhone will extend the hardware repair coverage to up to two years from the original purchase date of the iPhone. The AppleCare Protection Plan for

iPhone must be purchased while the iPhone is covered under Apple's Limited Warranty for iPhone.

6. Does Apple warranty cover my iPhone service?

If defects arise as a result of service, Apple will cover the repair for the remaining term of the iPhone's warranty or 90 days after iPhone service, which ever provides longer coverage for you.

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- 7. My iPhone is not eligible for warranty service. What are my service options? Apple offers two service options for iPhones that are not eligible for warranty service.
 - a. **iPhone Out-of-Warranty Battery Replacement Program** If your iPhone requires service only because the battery's ability to hold an electrical charge has diminished, Apple will replace your battery for a service fee of \$79 plus applicable taxes. For more details, please refer to the iPhone Out-of-Warranty Battery Replacement Program Frequently Asked Questions.
 - b. Out-of-Warranty Service

If you own an iPhone that is ineligible for warranty service but is eligible for Out-of-Warranty (OOW) Service, Apple will replace your iPhone with a new or refurbished iPhone for the Out-of-Warranty Service fee listed below.

iPhone 3GS	Out-of-Warranty Service
16GB & 32GB	\$199
iPhone 3G	Out-of-Warranty Service
8GB, 16GB	\$199
Original iPhone	Out-of-Warranty Service
4GB, 8GB & 16GB	\$199

All fees are in US dollars and exclude applicable taxes and \$6.95 shipping and handling fee

For example, an iPhone that has failed due to damage or liquid damage is eligible for Outof-Warranty service. However, certain damage is ineligible for OOW service, including catastrophic damage, such as the device separating into multiple pieces, and inoperability caused by unauthorized modifications.

Apple reserves the right to determine whether or not your iPhone is eligible for Out-of-Warranty service. Replacement phones have a 90-day limited hardware warranty or assume the remainder of your standard warranty or AppleCare Protection Plan for iPhone coverage, whichever is longer. Please see Apple's Repair Terms And Conditions for further details.

Accessories

1. One of my iPhone accessories isn't working. Can I order a replacement? Yes. Please complete the service request form. You can also visit the Apple Retail Store or contact Apple Technical Support.

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