

September 14, 2016

Dear Costco Member,

Our records indicate that you have purchased a Samsung Galaxy Note7 (Item # 1097004, 1097018, 1097019, 1097021, 1097024, 1097026, 1097027, 1097029, 1097030, 1097031, 1097032, or 1097033). Below is an update on the Note7 battery issue.

We urge you to power down the Note7 device(s) and immediately return them to your local Costco.



Samsung confirmed engagement with the Consumer Product Safety Commission in response to the Note7 Battery issue. Samsung has identified the affected inventory and stopped sales and shipments of those devices. Members who have Galaxy Note7 devices can replace their current device with a new device under the terms of the US Note7 Exchange Program, which was announced last Friday.

Here are your options, if you purchased a Note7:

- 1. Return your Galaxy Note7 for a full refund.
- 2. Return your Galaxy Note7 and purchase a Galaxy S7 or Galaxy S7 Edge (or similar phone) and replacement of any Note7 specific accessories with a refund of the price difference between devices\*

Additionally, participants in the US exchange program will receive a \$25 bill credit from your carrier.



## FREQUENTLY ASKED QUESTIONS

1. Is it okay for me to continue using my Note7?

Because your safety is our utmost concern, we ask you to power down your Galaxy Note7 and exchange it now. We strongly encourage you to take advantage of the U.S. Note7 Exchange Program detailed above.

2. What is the problem with the Note7 phone?

We have identified an issue with certain Note7 battery cells. Because your safety is our utmost concern, we advise you to power down your Note7. You should also take advantage of the U.S. Note7 Product Exchange Program by visiting your local Costco.

3. To participate in the U.S. Note7 Exchange Program, what do I do?

To participate in the U.S. Note7 Product Exchange Program, you should contact your local Costco where you purchased your phone.

4. Are there any other Samsung phones impacted?

No. This issue is only related to the Note7.

5. When can I buy a new Note7?

New Note7 phones will be available upon CPSC approval. Our first priority will be to support current Note7 owners with replacement phones

Please refer to the Costco.com <u>recalls page</u> for the most up-to-date information.

<u>Press Statement from the U.S. Consumer Product Safety Commission Regarding the Samsung Galaxy Note7</u>

Thank you,

Costco Wholesale





On 09/15/2016, Samsung announced a voluntary recall and exchange program on certain Galaxy Note7 devices in cooperation with the U.S. Consumer Product Safety Commission. We apologize sincerely for any inconvenience this may have caused. Your safety is our top priority.

## Safety Recall Notice

Samsung Galaxy Note7
purchased before 09/15/2016

The battery can overheat, posing a fire and burn hazard.

## What do I do?

- Stop using your Galaxy Note7
  Stop using the phone immediately, and take it off charge.
- 2 Check if your device must be exchanged
  For instructions on how to use your IMEI number to determine if your device must be exchanged, visit www.samsung.com/us/note7recall
- 3 Exchange your Galaxy Note7 device

  To exchange your device for a new Galaxy Note7,
  Galaxy GS7, S7 edge or a full refund, please contact
  the carrier or retail outlet where you purchased or
  call us at 1-844-365-6197.
- 4 For the most up to date information, visit www.samsung.com/us/note7recall or call us at 1-844-365-6197.