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## **Guitar Center Inc. Statement Regarding Customer Protection Plans in Puerto Rico:**

Guitar Center Inc. was recently made aware of an issue with some third-party protection plans that were sold in Puerto Rico. Though we sell products to customers living there via our websites and call centers, we have no physical presence in Puerto Rico and currently do not offer protection plan repair services locally. For this reason, we do not market these protection plans to customers in Puerto Rico, and our systems now prevent their online purchase.

Upon further investigation, we found that – despite our policies and systems in place – approximately 100 transactions including at least a protection plan have been made with Puerto Rican addresses, representing a tiny fraction (less than 0.001%) of the protection plans sold organization-wide.

Many of these transactions were the result of a glitch in our computer system in 2017 that inadvertently allowed orders with Puerto Rican addresses to have protection plans processed. This has been remedied for nearly a year. The remaining protections plans were found to have been sold by a few employees acting outside of our longstanding policy. We are currently addressing this through retraining, communications and where warranted, disciplinary action.

Regardless of the reasons why these plans were sold, we intend to make it right. We will honor all of the Asurion protection plans that were inadvertently sold or provide these customers a refund for their purchased protection plan if they so choose. We will be reaching out directly to these impacted customers with specifics on their protection plan and refund options.

Customer service is our top concern, and we are fully committed to ensuring that our customers get the service they expect and the support they need. We measure their satisfaction with industry standard tools like Service Management Group and Stella Service, which provide data that help us continually improve our customer service.

Any of our customers in any market who may have questions or concerns regarding their protection plans can use this toll-free number for assistance 24 hours a day, 7 days a week: 866-257-6551.

We sincerely apologize for any inconvenience this may have caused our customers in Puerto Rico.