

General Terms and Conditions of BMW Tyre Insurance

Valid as of: January 2024

Bayerische Motoren Werke Aktiengesellschaft (hereinafter referred to as "BMW AG") has concluded a group insurance contract with Allianz Versicherungs-Aktiengesellschaft (hereinafter referred to as "Insurer") in accordance with the following conditions for BMW Tyre Insurance. With the purchase of a new BMW or MINI branded vehicle (exceptions see Section 5) equipped with star-branded summer tyres and upon receipt of the insurance information, the purchaser (hereinafter referred to as "Insured Person") is entitled to make a claim against Allianz Versicherungs-AG if an insured event occurs, in accordance with the following provisions:

1. Subject of the insurance

The insurance covers star-branded summer tyres with a tread depth of at least 4.5 mm, mounted on a new BMW or MINI vehicle at purchase. The new vehicle must have been purchased from a dealer authorised by the BMW Group.

2. Scope of the insurance cover

Within the terms of the tyre insurance, insurance cover exists for the tyres listed in the insurance information sheet in accordance with the following conditions, unless another insurance or warranty insurance covering this damage exists or is required to provide a replacement in respect of it.

Insurance cover is available for damage to insured tyres directly caused by:

- a) pointed objects: damage caused by nails and glass fragments, for example;
- b) contact with kerb damaging the tyre sidewall without deformation of the rim or damage to the wheel suspension and chassis.
- c) vandalism;
- d) theft: reimbursement of the costs of the tyres covered by this policy if the vehicle or the tyres are stolen.

3. Start and end of the insurance cover

3.1 The insurance cover begins with the first registration of the new vehicle on which the star-branded summer tyres covered by this policy are mounted and is valid for a term of 36 months.

The insurance cover is not affected by the immobilisation of the vehicle. If an insured event occurs, the cover shall terminate with the replacement of the damaged or stolen tyre.

3.2 The insurance cover shall be terminated prematurely if the tyre is removed from the vehicle and sold separately. The insurance cover shall be terminated prematurely on the day the tyre is sold abroad or to a commercial retailer.

4. Benefits paid following an insured event

4.1 If an insured event occurs during the period of insurance cover, as listed in Section 2, the Insurer shall, via an authorised BMW dealer, reimburse the Insured Person for the purchase price of a new star-branded tyre, depending on the age of the damaged tyre. The age of the tyre is determined by the date of the first registration of the vehicle. The reimbursement is calculated on the basis of the current purchase price according to the following table:

In the 1st year: 100%
 In the 2nd year: 75%
 In the 3rd year: 50%

The reimbursement is limited to the BMW Group's respective recommended retail price (RRP).

4.2 The reimbursement of costs following an insured damage event is only made upon the purchase of a new star-branded tyre from BMW and is limited to damaged or stolen tyres. Reimbursements are not made on a "per-axle" basis. The reimbursement will be offset against the purchase price; no cash alternatives are available. The insurance is valid only if the vehicle registration document showing the date of first registration and the VIN of the vehicle fitted with the damaged tyre(s) and the customer's signed notification of the claim are presented, and, in the event of theft and/or vandalism, if the police case reference file plus a copy of the statement report are included. In the event of a claim, the authorised BMW dealer shall record and transmit the data on behalf of the Insured Person.

4.3 If an insured event occurs abroad, please contact the following hotline: +49 (0) 89 200048-048.

5. Exclusions

5.1 Insurance cover is not available for used and remoulded tyres, or for winter, soft compound or studded tyres.

5.2 The Insurer will not provide reimbursement:

5.2.1 for summer tyres with a tread depth of less than 3 mm at the time of damage

5.2.2 for rims, costs for fitting and wheel balancing, wheel balance weights, nuts, valves, gas fills, additional fitting equipment and tyre pressure sensors.

5.2.3 for the disposal of damaged tyres.

5.3 The Insurer will not provide reimbursement for a defect:

5.3.1 caused by regular wear and tear;

5.3.2 caused by wilful or malicious actions on the part of the Insured Person, his assistants or representatives, or due to improper use or misuse;

5.3.3 caused by accidents;

5.3.4 caused by the direct impact of storm damage, hail, lightning strike, earthquakes or flooding, or by fire or explosion;

5.3.5 caused by serial, construction and production faults, nor for damage for which a third party renders compensation or is liable to do so in their capacity as manufacturer, supplier, contractor, or by way of a repair contract, warranty or other such guarantee, or confirmation of insurance or cost coverage;

5.3.6 caused by an act of war of any type, civil war, civil unrest, strikes, lockout, confiscation or other sovereign interventions, or by atomic energy;

5.3.7 which merely renders the ride uncomfortable, without limiting the functionality of the tyre. This includes, for example, gradual loss of pressure, running noise, vibrations or problems with road holding and the chassis;

5.3.8 caused by participation in driving events of a racing nature, or corresponding practice drives;

- 5.3.9 caused by exposing the vehicle to higher axle or trailer loads than the permissible loads defined by the manufacturer;
- 5.3.10 caused by changing the original design of the vehicle (e.g. tuning) or the installation of third-party parts or accessories not approved by the manufacturer;
- 5.3.11 caused by using an item that is clearly in need of repair, unless the damage is demonstrably not connected to the need of repair, or the item had at least been given a makeshift repair with the approval of the insurer;
- 5.3.12 caused by excessive wear due to incorrect tracking, camber or tyre pressure settings or through the use of defective shock absorbers (e.g. heel-and-toe wear / brake plates / spotty wear);
- 5.3.13 if the vehicle to which the tyres are fitted is used for commercial passenger and/or freight transport (e.g. as a taxi, courier vehicle, self-driven rental vehicle or building site vehicle), or as an emergency vehicle (e.g. police vehicle, ambulance);
- 5.3.14 by contact with kerbs, potholes or other road damage.
- 5.4 Furthermore, no reimbursement will be made in respect of a defect causally connected with
- 5.4.1 deliberate damage or damage caused by the Insured Person's gross negligence, or that of his assistants or representatives;
- 5.4.2 the vehicle having been fitted with unsuitable tyres.
- 5.5 The insurance cover does not extend to tyres on vehicles registered with a car dealership or a BMW authorised dealer (e.g. demonstration cars).

6. Scope and transferability

The insurance cover applies to **Malta**. If the vehicle is temporarily located outside of **Malta**, the insurance cover shall apply for trips lasting up to a maximum of 12 weeks within the Contracting States of the European Economic Area (limited to sovereign territories geographically belonging to Europe and Cyprus), as well as Switzerland, Monaco, Andorra and San Marino.

7. Obligations

The Insured Person or BMW AG must notify the Insurer via a BMW partner of the damage immediately, **prior** to the purchase of a replacement tyre, in order to obtain the cover note (approval) from it, along with any possible instructions. The Insured Person must also mitigate the damage if possible. In this context, the Insured Person must comply with the Insurer's instructions as it is reasonable for him to do so.

If BMW AG or the Insured Person deliberately breaches an obligation following the occurrence of the insured event, the Insurer shall not be liable to pay any benefits. If BMW AG or the Insured Person breaches one of the obligations through gross negligence, the Insurer shall be entitled to reduce the amount of any benefits rendered. The extent of this reduction shall be based on the degree of negligence. If BMW AG or the Insured Person is able to prove that no gross negligence occurred, the benefits payment will not be reduced. Even in the event of intentional or grossly negligent conduct, the Insurer shall remain liable to indemnify if BMW AG or the Insured Person proves that the breach of obligation had no causal connection to the occurrence or the determination of the insured event, nor to the extent of the Insurer's duty to indemnify. This does not apply in the event that BMW AG or the Insured Person breached the obligation with fraudulent intent.

8. Data protection

In the occurrence of an insured event, your BMW dealer or service partner will record your personal information, i.e.: your name and address, as well as technical information pertaining to the damages and to your vehicle, i.e.: tyre size, chassis number, date of first registration, and will pass these and a copy of the vehicle registration document on to the claims processing department at Allianz Warranty GmbH and / or to the insurer, Allianz Versicherungs-AG – hereinafter referred to as "Allianz". A range of legal rights are open to you, both as an insured person and as a data subject under the EU GDPR. Please contact your BMW dealer or service partner and, once a claim has been reported successfully, Allianz if you wish to exercise your rights to transparency, information, correction or deletion, or if you wish to withdraw consent for your personal information to be processed. You can find more information about how your personal information is processed in the data protection statements provided by your BMW dealer or service partner and by Allianz.

9. Knowledge of the Insured Person

The knowledge and / or culpability of the Insured Person shall be considered equivalent to BMW AG's knowledge and / or culpability.

10. Entitlements of the Insured Person

Contrary to Section 43 et. seqq. of the German Insurance Contracts Act (Versicherungsvertragsgesetz – "VVG"), the Insured Person is entitled to assert claims personally under the Group Insurance Agreement, including without the consent of BMW.

11. Penalty clause

The remaining contractual provisions notwithstanding, insurance cover is only available insofar as, and for as long as, none of the contractual parties is subject to directly applicable economic, trading or financial sanctions or embargoes imposed by the European Union or the Federal Republic of Germany.

This also applies for economic, trading or financial sanctions or embargoes imposed by the United States of America in relation to Iran as long as this does not violate European or German legal regulations.

Customer satisfaction is our primary concern. If, for any reason, you are not satisfied, please do not hesitate to let us know. You can contact us by calling +49 89 2000 48 000, or by sending an email to garantie@allianz-warranty.com. Alternatively, you can write to Allianz Versicherungs-AG, 10900 Berlin, Germany. This will enable us to find the right solution for you and further improve our service quality.

In order to deal with your matter quickly and comprehensively, please provide us with your name, address, telephone/fax number, claims number and your request. Your requests and concerns will, of course, be treated confidentially and solved as quickly as possible and to your satisfaction.

Alternatively, you have the option of initiating a complaints procedure with the Insurance Ombudsman (Address: Versicherungsombudsmann e.V., Postfach 08 06 32, 10006 Berlin, Germany; www.versicherungsombudsmann.de). We are a participating member of dispute settlement procedures before this arbitration board. Please note that this complaints procedure is only available to consumers. Furthermore, the amount in dispute may

not exceed the sum of EUR 100,000.00. You are, however, not obliged to accept the Ombudsman's decision, irrespective of the outcome. You always have the option of instigating legal action. If the Ombudsman decides in your favour, we will be bound by this decision provided the amount in dispute does not exceed EUR 10,000.00. For any complaints concerning an insurance broker or advisor, you can contact the aforementioned Ombudsman, irrespective of the amount in dispute. The Ombudsman responds to every complaint and will suggest a settlement proposal in appropriate cases.

If you are a consumer and you entered into an insurance agreement online (e.g. on a website or by email), you can also use the European Commission's online dispute resolution platform for your complaint (www.ec.europa.eu/consumers/odr/). From there, your complaints will be forwarded to the Insurance Ombudsman ("Ombudsmann für Versicherungen e.V.").

As an insurance undertaking, we are subject to the supervision of the German Federal Financial Supervisory Authority at Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin), Sektor Versicherungsaufsicht, Graurheindorfer Str. 108, 53117 Bonn, Germany; email: poststelle@bafin.de; www.bafin.de. You can also contact the Federal Financial Supervisory Authority (BaFin) with any complaints you may have.