



General Terms and Conditions of BMW Repair Inclusive

Part A – Benefits and Exclusions

Here you will find the specific regulations regarding the benefits of the BMW/MINI Repair Inclusive ("RI"). In particular, you will learn which benefits we provide and in which cases the benefit is exceptionally limited or excluded. The RI covers passenger cars of the vehicle brands BMW, BMW i, and MINI that the owner has purchased from a BMW/MINI Authorised Dealer in Malaysia.

Section 1: What is covered?

1. The RI covers all permanently installed and factory-fitted mechanical, electrical, electronic, pneumatic, and hydraulic components of the vehicle that are not excluded by Section 3 below.

Section 2: What does the RI cover, and is there a cost-sharing arrangement?

1. If a component becomes inoperable during the term of the RI, the vehicle owner is entitled to a professional repair by replacement or repair of the component. The claim includes all necessary, actual incurred repair costs, including the costs of necessary replacement parts,

based on the manufacturer's currently valid non-binding price recommendations, as well as the costs of adjustment checks, testing, and measurement work, including any necessary adjustments. The hourly rates of the authorised BMW/MINI dealership performing the repair, as well as the manufacturer's standard labour times, are decisive for the reimbursement of labour costs.

2. The total claim during the term of the RI (even from multiple claims) is limited to the actual market value of the vehicle. If, according to the manufacturer's specifications, the replacement of non-defective parts in conjunction with a defective part is necessary, the replacement of this part will also be reimbursed.

Section 3: Exclusion

1. Parts not covered are:
 - a) Interior fittings: e.g., chrome parts, trim strips, armrest, headliner, storage compartments, side panels, sun visors, cup holders, upholstery. This list is not exhaustive;
 - b) Brakes, clutch, and suspension/shock absorbers: clutch disc, pressure plate; brake pads, discs, and drums; clutch and brake adjustments; shock absorbers/air springs (more than 4 years / 80,000KM whichever comes first from vehicle first registration date);
 - c) Glass/window panes: mirror glass, glass, and convertible top panes; however, the rear window is covered in the event of failure of the heating and antenna elements;
 - d) Aftermarket parts: parts (e.g., accessories, car radios, navigation systems) that do not meet the quality standards of original manufacturer parts;
 - e) Rubber parts: Rubber seals on doors, trunk, and roof; axle bearings/suspension, axle and steering boots, silent blocks/bushings, engine mounts (excluding hydraulic mounts), stabilizer bar bushings, control arm bushings. This list is not exhaustive;
 - f) Maintenance: Servicing, inspection, and care work;
 - g) Bodywork: Alignment, correction, and adjustment of body parts, such as sunroofs, convertible tops, doors, trunk lids, and bumpers; paint damage and rust on the bodywork, water leaks or other leaks in the bodywork, such as leaking door, sunroof, and window seals, or convertible and folding tops;
 - h) Fuel system: Contamination in the fuel system;
 - i) Seat seals, such as gaskets not subject to any mechanical movement (but not, for example, leaks in water-carrying technical components such as radiators, water hoses, cylinder head gaskets, heaters, or the air conditioning system and the engine's oil pan gasket up to a maximum mileage of 100,000 km);
 - j) Wheels: tires, rims, hubcaps, wheel bolts, wheel alignment, and tire balancing;
 - k) Headlights (especially glass, headlight housing, bulbs, xenon bulbs);
 - l) Other: wind noise, squeaking, and rattling noises;

- m) Batteries, however, the high-voltage battery of the drive system is covered in the event of a technical defect due to a manufacturing or material defect (any kind of wear, capacity loss, or degradation is excluded from coverage);
- n) Fuel Cell Technology;
- o) Small parts, operating fluids, consumables, and wear parts and labour: filters, spark plugs and glow plugs, screws, nuts, washers, gaskets, hoses, diagnostics, lubricants, operating fluids, brake cleaner, antifreeze, etc. – unless the replacement is carried out in connection with the repair of a covered part and is typically required in that context, is always replaced, loses its functionality, and/or its replacement becomes technically necessary;
- p) Refilling, topping up, and converting the air conditioning system, unless the refilling is carried out in connection with a covered repair;
- q) Wear and tear: This includes all parts that are regularly inspected, replaced, or renewed as part of maintenance or service work, e.g., air filters, oil filters, spark plugs, V-belts, multi-ribbed belts, timing belts;
- r) Software updates, reading/clearing fault codes, and resets, but not exceeding 12 labour units (1 hour) insofar as they are directly related to a covered repair, prevent or counteract the replacement of a component, and do not enable or constitute an upgrade or functional enhancement;
- s) Convertible top: Fabric for convertible or folding tops;
- t) Handsets for hands-free systems and telephone systems;
- u) Standard accessories: e.g., jack, fire extinguisher, warning triangle, first-aid kit, tool kit.

2. The following damages are also not covered by the RI:

- a) Consequential damages:
 - i. Costs for testing, measuring, and adjustment work, insofar as they are not directly related to the RI coverage damage;
 - ii. Costs for the recovery and storage of the vehicle (e.g., storage fees, rental car costs, freight costs, etc.);
 - iii. Damage to a component not covered by the RI, caused by damage to a component covered by the RI;
 - iv. Damage to a component covered by the RI, caused by damage to a component not covered by the RI.
- b) Damage caused by direct impact from storms, hail, lightning, natural disasters (e.g., earthquakes, floods, volcanic eruptions, etc.), as well as by fire, scorching, or explosion, regardless of whether the cause originated inside the vehicle or affected the vehicle from the outside;
- c) Damage caused by external factors, such as damage from rodent.
- d) Damage to vehicles used as taxis, e-hailing cars, rental cars, self-drive rental cars, driving school vehicles, or that are rented, leased, or used at airfields;

- e) Damage to vehicles used for commercial passenger transport or rented and/or provided to a changing group of people, such as courier, express, delivery, and parcel services, ambulance and disabled transport, etc.
- f) Damage caused by acts of war of any kind, civil war, civil unrest, strikes, lockouts, confiscation, other sovereign acts, or by nuclear energy;
- g) Damage caused by an accident, i.e., an event involving sudden, external mechanical force; dangerous or malicious acts, theft, unauthorized use, robbery, or embezzlement;
- h) Damages resulting from the vehicle being subjected to axle or trailer loads exceeding those specified by the manufacturer, unless the vehicle owner proves that this misuse was not the cause of the coverage event or the extent of the liability;
- i) Damage for which a third party, as manufacturer, supplier, or seller (e.g., for production, assembly, design, or organizational defects, spare parts warranty, etc.), is liable under a contract, including repair orders (e.g., also repair errors during previous repairs), or under any other warranty, guarantee, and/or RI agreement.
- j) Damage caused by the vehicle being subjected to higher axle or trailer loads than specified by the manufacturer, unless the vehicle owner proves that this misuse was not the cause of the coverage event or the extent of the liability;
- k) Damage for which a third party is liable as manufacturer, supplier, or seller (e.g., for production, assembly, design, or organizational defects, spare parts warranty, etc.) under a contract, including repair orders (e.g., also repair errors during previous repairs), or under any other warranty, guarantee, and/or RI agreement. These are based on the fact that the execution of inspections, maintenance work or other repairs by the workshop performing them was faulty, unless the vehicle owner proves that the faulty execution was not the cause of the occurrence of the coverage event or the extent of the obligation to provide benefits;

3. Limitations of RI Coverage for Damages

- a) Caused by the use of unsuitable lubricants and operating fluids, unless the vehicle owner proves that the misuse was not the cause of the coverage event;
- b) Caused by the use of a part that is clearly in need of repair, unless the vehicle owner proves that the need for repair was not the cause of the coverage event, or that the part had been at least temporarily repaired by a qualified professional at the time the damage occurred;
- c) Caused by technical modifications to the vehicle (e.g., tuning, suspension modifications, etc.), unless the vehicle owner proves that these modifications were not the cause of the coverage event. Technical modifications with BMW Performance Packages, including MINI Cooper Works, performed by authorized BMW and MINI service centres are not covered by this exclusion.

Section 4: What applies in cases of intent, gross negligence, and fraudulent misrepresentation?

1. Intentional Misconduct

If the vehicle owner intentionally causes the coverage event, BMW Malaysia is released from its obligation to pay benefits. If the intentional causation of the damage is established by a final and binding criminal judgment, the intentional causation of the damage is deemed proven.

2. Gross Negligence

If the vehicle owner causes the damage through gross negligence, BMW Malaysia is entitled to reduce its payment in proportion to the degree of the vehicle owner's fault.

3. Fraudulent Misrepresentation After the Occurrence of the Event

BMW Malaysia is released from its obligation to pay benefits if the vehicle owner fraudulently misrepresents or attempts to misrepresent facts that are relevant to the basis or amount of compensation. If the misrepresentation or attempted misrepresentation is established by a final and binding criminal judgment against the vehicle owner for fraud or attempted fraud, the conditions of the first sentence are deemed proven.

Part B - Obligations of the vehicle owners and regulations relating to the RI

Here you will find duties and obligations that you must observe to maintain your RI coverage, as well as further regulations for the successful execution of the package.

Section 1: What obligations must be observed?

1. Obligations of the vehicle customer before an insured event

- a) From the date of purchase, timely completion of the maintenance work prescribed by the dealer and the inspection work recommended by the manufacturer at the dealership according to the manufacturer's specifications;
- b) From the date of purchase, completion of all applicable recall and/or technical campaigns of the vehicle manufacturer;
- c) Observance of the manufacturer's instructions in the owner's manual regarding the operation of the vehicle;
- d) Immediate notification of any tampering, other manipulation of the odometer, defects, or replacements.

Section 2: Legal Consequences of Breach of Obligations

If the vehicle owner breaches an obligation under this contract that must be fulfilled before the occurrence of the coverage event, BMW Malaysia may terminate the contract without notice within one month of becoming aware of the breach. BMW Malaysia has no right of termination if the vehicle owner proves that the breach of obligation was neither intentional nor grossly negligent. If

an obligation under this contract is breached intentionally, the vehicle owner loses their RI coverage. In the case of a grossly negligent breach of an obligation, BMW Malaysia is entitled to reduce its benefits in proportion to the degree of the vehicle owner's fault. The complete or partial loss of RI coverage due to a breach of a duty to provide information or clarification after the occurrence of the coverage event is contingent upon the BMW Malaysia having informed the vehicle owner of this legal consequence by separate written notification.

If the vehicle owner proves that they did not breach the obligation through gross negligence, the RI coverage remains in effect.

The RI coverage also remains in effect if the vehicle owner proves that the breach of the obligation was not the cause of either the occurrence or determination of the coverage event. This does not apply if the vehicle owner breached the obligation fraudulently.

Section 3: In which countries do the RI coverage apply?

RI coverage applies at BMW Authorised Dealers worldwide. However, it is recommended to perform repairs within Malaysia, as operation of the vehicle under conditions for which it was not homologated (including, but not limited to, use in countries with homologation standards differing from the country of initial delivery) may result in different outcomes.

Section 4: When does the RI coverage begin and end?

The RI begins at the time specified on the Sales and Warranty Certificate and ends at the end of the agreed period, without requiring cancellation.

Section 5 What applies when the vehicle is sold?

If the vehicle is sold during the RI valid period, the RI transfers to the buyer/new vehicle owner at the time of the transfer of ownership.

BMW Malaysia Sdn Bhd reserves the right to modify or amend the terms of this General Terms and Conditions of BMW/MINI Repair Inclusive at any time, without the necessity of providing prior written notice.