

END-OF-TERM WEAR AND USE GUIDE – GUARANTEED RESALE VALUE.

BMW Concessionaires (HK) Limited.

BMW Concessionaires HK Limited (“BMW”) guarantees that your Vehicle will have a resale value after 3 years of at least the Guaranteed Resale Value specified where sold back to us as set out in these terms. This value is equal to 60% of the base purchase price of THE 7 or THE X7 at the time of your purchase of the Vehicle (exclusive of other taxes, accessories, registration or other fees or delivery charges). During the period between 36 months to 37 months from your Guarantee Effective Date, you have the option to sell your Vehicle to BMW for the Guaranteed Resale Value. This Guarantee is subject to the following terms and conditions:

Vehicle condition when returning your BMW.

We certainly do not want you to be caught unaware when you return your BMW, so please read this guide. It outlines our vehicle return standards, and what we consider acceptable and unacceptable conditions. Any conditions defined as unacceptable condition in this guide is chargeable to you. It can help you to avoid any unnecessary charges. When it is time to return your BMW, it is given a full inspection to determine its condition, based on the points within this guide. However, you can carry out your own checks first.

If you return your BMW with any unacceptable condition, we will have to invoice you for the cost of repairs. Unacceptable condition may adversely affect the value of your BMW upon returning as stated in the GUARANTEED RESALE VALUE. Therefore, it is important that you read the following section. You will learn on definitions of acceptable and unacceptable conditions.

This section applies when the buyer (the “Buyer”) returns the vehicle (“Vehicle”) to BMW Concessionaires (HK) Limited. (the “Seller”) in accordance with the applicable Agreement entered into between the Seller and the Buyer (“Agreement”).

In accordance with applicable Agreement, if the Buyer wishes to return the Vehicle, or trade-in the Vehicle for a new vehicle, the Buyer is obliged to return the Vehicle to the Seller at the designated place for an inspection.

Then consider whether you should fix any problems at an authorized repairer before you return your car to help avoid unnecessary charges. After a full inspection, you will be invoiced for the cost of any necessary repairs. All items listed in the 'Chargeable' section will be charged for.

In general:

- Acceptable: Condition of vehicle which is not subject to charges or reduction from the guaranteed future value as stated in the GUARANTEED RESALE VALUE Agreement.
- Unacceptable: Condition of vehicle which shall require charges to the Buyer for repair to the Vehicle to the normal status of wear and tear, or circumstances that the Vehicle cannot be accepted for return/ trade-in.

The returned Vehicle must be in good condition and must not exceed the normal wear and tear standard set out below. If the Vehicle does not satisfy the return conditions, the Seller is entitled (i) to charge fees, repair costs and excess mileage charges calculated in accordance with this End-of-Term Wear and Use Guide, and/or (ii) not to accept the return or trade-in of the Vehicle.

The Seller is entitled to charge the Buyer the cost of repair the Vehicle in order for it to return to the normal status of wear and tear. The charge is calculated based on the cost of repairing the Vehicle at BMW Concessionaires (HK) Limited, as authorised by the Seller, and the surveyor report will be issued by an independent third party.

BMW Concessionaires (HK) Limited reserves the right to amend, revise or delete the terms and conditions in respect of this guide, or to amend the details, at any time for any reason without giving prior notice to the Buyer. BMW Concessionaires (HK) Limited reserves the right to carry out inspection of the vehicle upon return. In case of any dispute, BMW Concessionaires (HK) Limited reserves the right of final decision and interpretation.

General conditions.

Before returning the Vehicle, the Buyer is obliged to check and ensure the following requirements are met:

- No outstanding traffic violation, fines or tickets attached to the Vehicle.
- Annual vehicle licence has not expired.

- No mileage in excess of the maximum mileage stated in the GUARANTEED RESALE VALUE Agreement; otherwise excess mileage charges will be applied.
- Buyer has a valid motor vehicle licence.
- Valid insurance policy and compulsory insurance mark.
- Complete maintenance record according to BMW maintenance cycle.
- All services and repairs to the Vehicle must have been conducted by an authorised BMW Dealer. Any repair performed on the Vehicle which is not conducted by an authorised BMW Dealer will not be recognised.
- Vehicle must be returned with full set of keys, including spare keys (if any provided). Any Vehicle returned without such keys will incur a charge for the cost of a replacement key(s), depending on vehicle model and options.
- Vehicle must be returned with all accessories as originally supplied, including but not limited to, owner's manual, service manual, navigation DVD.
- Vehicle must have a full tool kit as originally supplied, including but not limited to spare tyre, space saver, tyre repair kit.
- Vehicle must be returned with all other removable parts including, but not limited to, headrests, remote controllers, headsets, floor mats, ash trays, lighters, First-Aid kit.
- All vehicle fixtures must be in their original state upon Vehicle return and no Vehicle modifications are allowed.
- Vehicle, together with all its parts, must be returned in normal working condition and undamaged.

In-Depth Wear and Use Guidelines

Interior

Acceptable

- Minor scuffs to the interior, seats, and soft trim (includes leather, cloth, vinyl leather, plastic, wood, carpets, headliners, vinyl and convertible tops, and weather-stripping seals).
- Seat cover/trim repairs performed by an authorised BMW Dealer;
- Surface marks and light blemishes to the luggage area.

Unacceptable

- Severe scuffs and cracks, cuts, rips, hole, and tears to the interior, seats, and soft trim (includes leather, cloth, vinyl leather, plastic, aluminium, wood, carbon fibre

reinforced plastic, carpets, headliners, floor covering, vinyl and convertible tops, and weather-stripping seals);

- Stains that cannot be removed;
- Discoloration including but not limited to visible ink stains that cannot be removed;
- Any burn holes or singed areas to interior moldings, trim panels, instrument panel, seat covers, sun visors, air outlets, headlining and floor coverings requiring repair;
- Broken or damaged interior moldings, trim panels, instrument panel, seat covers, sun visors, air outlets, or headlining;
- Holes, cuts, scratches, dents, and marks that cannot be removed resulting from the removal of aftermarket accessory equipment;
- Deformed seat shapes, interior trim panels;
- Floor coverings and surrounding trim panels should not be torn or split to the luggage area;
- Torn rubber in interior door seals and paint scratched down to the bare metal to the luggage area.

Frame and unibody

Acceptable

- Damage that does not affect the safety or structural integrity of the frame or unibody, and Vehicle must be returned without any history of structural damage;
- Repairs using manufacturer's recommended methods that restore the vehicle to original specification;
- Minor scrapes, gouges, or dents to the frame or unibody;
- Minor dents up to 50mm to the underside of vehicle that do not penetrate through the base paint.

Unacceptable

- Repairs that do not restore the frame or unibody to manufacturer's specifications;
- Repairs that do not follow manufacturer's recommended repair methods (e.g., butt welding);
- Damage that affects the safety or structural integrity of the frame or unibody, (e.g., buckled unibody, channel torn metal, kinked radiator support, front side aprons, side rails, front frame rails, rear frame rails, door posts, centre pillars, shock towers, quarter panels, roof panel, floor sections);
- Any sheet metal damage to rocker panels;
- Dents larger than 50mm to the underside of vehicle;
- Dents to the underside of vehicle that has penetrated through the base paint.

Exterior

Acceptable

- Dents to exterior where the damage is 10mm or less in diameter and does not penetrate through the top coat of paintwork which can be removed by polishing/touch up (maximum 2 occurrences per panel and 4 occurrences per vehicle);
- Minor stone chips that affect an area within the 10mm or less in diameter and does not penetrate the vehicle base coat nor show signs of corrosion;
- Cleanable road tar;
- Superficial scuffs/scratches that do not penetrate the paint.
- Any previous repair is up to an acceptable standard and all such repairs were conducted by an authorised BMW Dealer.

Unacceptable

- More than 4 dents which are less than 10mm per vehicle or more than 2 dents on any one panel;
- Any dents where the damage pierces through to the paintwork, regardless of length;
- Dents on swage lines or folder edges. Dents on high profile panels (i.e., bonnets/ wheel arches, etc.);
- Any dents greater than the 10mm in diameter.
- Any scratches, dents, cracks, damage to the decorative trims, rubber stripes and seals.
- Damaged antennas.
- Any missing caps or covers on the bodywork, including but not limited to, petrol cap cover, BMW logo badge, model badge;
- Any stone chips that has penetrated the vehicle base coat;
- Any corrosion of any kind which cannot be polished out;
- Damage to exterior paint, finish that is the result of excessive organic fallout (e.g., insect decomposition, bird droppings), industrial fallout, or atmospheric conditions;
- Scratches and scuffs that penetrate the paint, regardless of size;
- Broken exterior parts that are not replaced or repaired to manufacturer's specifications;
- Poor repairs that do not meet manufacturer's specifications (e.g., misaligned parts, mismatched paint, distorted body panels, ripples, preparation marks, visible overspray, masking lines or excess dirt in paint).
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Bumpers

Acceptable

- Superficial scuffs/scratches up to 50mm that do not penetrate the paintwork;
- Minor stone chips that do not penetrate the vehicle base coat;
- Cleanable road tar;
- Marks that are removable by polishing.

Unacceptable

- Bumpers that are buckled, bent, gouged, or deeply scratched;
- Any cracked or punctured bumpers;
- Any scratches and scuffs that penetrate the paint, regardless of size;
- All dents;
- Exterior paint damage from excessive organic fallout (e.g. insect decomposition, bird droppings), industrial fallout, or atmospheric conditions.

Glass and lamps

Acceptable

- Surface chips on windscreen less than 2mm without obscuring the driver's line of vision, with a maximum of 3 chips per windscreen;
- Headlamp lenses with surface chips, which do not detract from the overall appearance of the Vehicle or affect the efficiency of the lamp;
- Repairs that do not distort the driver's view of the road.

Unacceptable

- Any condition that prevents issuance of a valid Certificate of Road worthiness by Transport Department Designated Car Testing Centre;
- Cracks or damage to the windscreen which require complete replacement or, if relatively minor, repaired using resin impregnation.
- Windscreen replacement of substandard glass (non-OEM/ missing rain sensor/ not Head-Up Display compatible, if equipped);
- Windscreen that has been polished to remove damage;
- Chips greater than 2mm.
- 3 or more chips on any one windscreen or window.
- Puncture which results in water penetration.

Wheels and tyres

Acceptable

- Four original, matching tyres that have at least 1.6mm tread depth across 75% of the tyre and that match the original equipment supplied on your vehicle (speed rating, type, run-flat, brand, and size);

- Minor scuffs to tyres that do not affect the safety of the tyre;
- Minor scuffs or nicks less than 25mm to wheel covers, alloy or steel rim edge or wheel surface.

Unacceptable

- Tyres, regardless of mileage, that have less than 1.6mm tread depth across 25% of the tyre (not applicable to spare tyre);
- Specifications and sizes different from original equipment brand (approved brands are Michelin, Pirelli, Bridgestone, Continental, Dunlop, Hankook, and Goodyear), type (run-flat), and speed rating;
- Recapped or retread tyres;
- Tyre sidewall repair plugs;
- Snow tyres;
- Any tyre damage affecting the safe operation of the vehicle;
- Mismatched, bent, cracked, distorted, or broken wheels, wheel covers, or alloys;
- Missing spare tyre and/or spare tyre that does not match the original manufacturer's specifications;
- Bulges or indentations in the sidewall;
- Scuffs/scratches/ damages/ scratches to wheel covers/ alloy/ steel rims exceeding 25mm.

Other

Acceptable

- Minor oil misting or dampness around seals or gaskets, provided oil drips are not present.

Unacceptable

- Missing equipment including, but not limited to, keys, Seller's manuals, service manual, navigation CDs, or cargo covers;
- Any vehicle warning lights (engine light, airbag lights, brake service lights, traction control, etc.);
- Broken or non-functioning vehicle warning lights (engine, brake lights, etc.);
- Incomplete or overdue services;
- Any noticeable oil leakage which could have been rectified at the earliest opportunity;
- Non-functioning electrical components (power windows, instrument cluster, climate control, iDrive^R controls and screen, exterior lighting, interior lighting, and controls, etc.);

- Aftermarket accessories (performance parts, suspension modifications, body panels, radio, etc.);
- Decals.

Table of fees, costs and charges

If the Vehicle does not satisfy the return conditions set out above, the Buyer shall be obliged to pay the following fees, costs and charges to the Seller.

Chargeable Wear & Tear	Cost
Full set of keys / replacement keys.	Per Key: HKD \$3,900 -\$9,000 (Dependent on model and options)
Excess Mileage.	HKD \$ 5 per excess km
Vehicle is not maintained and inspected in accordance with the BMW repair and maintenance cycles.	Per Missed Maintenance Check: HKD \$ 5,600 -\$11,000 (Dependent on selected service package)
Missing parts, Seller's manual, service manual from vehicle (Seller is entitled to charge fees in accordance with the cost of buying original parts and re-applying the appropriate documents, depending on the vehicle model).	Per Spare Tyre: HKD \$6,000 - \$10,000 Per Owner's Manual: HKD \$350 - \$800 Per Service Manual: HKD \$350 -\$800 (Dependent on model and options)
Other chargeable wear & tear as per listed as Unacceptable.	The charge is calculated based on the cost of BMW Concessionaires (HK) Limited repairing the Vehicle, as authorised by the Seller, and the charge (surveyor) report will be issued by an independent third party.

Circumstances where return/trade-in will not be accepted

No return or trade-in of the Vehicle will be accepted if the Vehicle is seriously damaged, including but not limited to the following conditions:

- Serious structural damage or structural damage history.
- Damage due to water ingress.
- Change of odometer number.

- Modification of the Vehicle.
- Any engine oil leakage.
- Significant damage or distortion to chassis components affecting the Vehicle's structural integrity or warranty.