

GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions also contain legal information about your rights in accordance with the provisions distance sale contracts and e-commerce.

1 Scope of application, contract partners, delivery restrictions

1.1 These General Terms and Conditions ("GTC") apply to all contracts concluded between you as a customer ("you") and Philip Morris GmbH ("Philip Morris") as operator of the online shop at <https://de.iqos.com> ("IQOS-Webshop"). By placing an order, you are accepting the version of the GTC valid at the time the order is placed. Deviating or supplementary general terms and conditions of the customer will only apply if Philip Morris has agreed to them in writing in specific cases.

1.2 These General Terms and Conditions apply to consumers. According to the legal definition under German law, a consumer is any natural person who concludes a legal transaction for purposes which can neither largely be attributed to a commercial activity nor to a self-employed professional activity.

1.3 Your contract partner is Philip Morris Gesellschaft mit beschränkter Haftung, Am Haag 14, 82166 Gräfelfing, Germany, registered with the commercial register of the local court of Munich under the number HRB 49432. If you have any questions, requests, or complaints, please contact Philip Morris at 0800 1114767 (free of charge) or by e-mail at kontakt@iqos.de.

1.4 The following delivery restrictions apply:

(i) Philip Morris only supplies to consumers who have reached the age of 18, have their usual place of residence (billing address) in the Federal Republic of Germany, and specify a German delivery address.

(ii) Within a period of 10 calendar days, you may place orders up to a maximum order value of EUR 750 incl. VAT.

2 Registration, contract conclusion

2.1 To order articles in the IQOS Webshop ("products"), registration and opening a password-protected customer account are required. You must have reached at least 18 years of age to do so. You are required to enter your personal information truthfully and to keep your password strictly confidential to ensure it does not fall into the hands of any third party. Any disclosure to third parties of your password or any other access info for the IQOS Webshop is prohibited. Details about the collection and use of your personal data can be found in Philip Morris' privacy policy in the IQOS Webshop. As Philip Morris is very concerned about the protection of minors, you are also asked to ensure that products are not used by persons who have not reached 18 years of age.

2.2 The presentation of the products in the IQOS Webshop does not constitute a binding offer of sale. The offer to conclude a purchase contract is made by you as the customer by clicking on the button "Order now subject to payment". Philip Morris may accept your offer by shipping the products within five business days. A confirmation of the receipt of your order will be sent by automated e-mail immediately after your order is submitted; this does not yet constitute an acceptance of contract by Philip Morris.

3 Delivery, availability of items, right of withdrawal

3.1 Delivery will take place only within Germany and by parcel service (post office or courier). Shipping risk is borne by Philip Morris.

3.2 If an ordered product is not available because Philip Morris has not been supplied with a product by its suppliers through no fault of its own, Philip Morris may withdraw from the contract. In this case, Philip Morris will immediately inform you and refund any payment already made.

4 Pricing, Shipping costs

4.1 The final prices stated in the IQOS Webshop include value added tax as required by law and all other price components.

4.2 Delivery is free of shipping costs.

5 Payment, reservation of title

5.1 In general, you may pay by credit card (Visa, Mastercard), by Paypal, or by instant transfer. In the case of credit card payments, processing will be handled by Arvato distribution GmbH, Carl-Bertelsmann Str. 23, 33332 Gütersloh, as well as Concardis GmbH, Am Helfmann-Park 7, 65760 Eschborn. In this case, your credit card account will be charged when the products are shipped. If payment is made by instant transfer, then payment will be processed by SOFORT GmbH, Fußbergstraße 1, 82131 Gauting, Germany. PayPal (Europe) S.à r.l. et Cie, S.C.A., 22-24 Boulevard Royal, L-2449 Luxembourg will handle your PayPal payment. The respective terms and conditions of the contracting parties will apply.

In the event you have purchased our products via our call center, payment will take place via Paylink. Accordingly, you will receive an e-mail from us following your purchase decision with a link to the "Paypage" operated by the service provider we've contracted, Arvato distribution GmbH, Carl-Bertelsmann Str. 23, 33332 Gütersloh. That company will also handle the processing of your Paylink payment. The respective terms and conditions of Arvato distribution GmbH will apply to that end.

5.2 Until payment has been made in full, the delivered products remain the property of Philip Morris.

6 Right of withdrawal

6.1 Consumers receive a legal right of withdrawal when concluding distance sale transactions, and Philip Morris is providing information to that end in the following in accordance with legal model. You'll find a sample withdrawal form in Clause 6.2; and Clause 6.3 lays out clarifications for legal models as well as supplementary provisions which Philip Morris has bound itself to in addition to statutory obligations to your benefit.

Withdrawal instructions

Right of withdrawal

You have the right to withdraw from this contract within fourteen days without providing any reason.

The withdrawal period is fourteen days from the date on which you or a third party designated by you, other than the carrier, took possession of the items. If you have ordered multiple items as part of a single order and those items are delivered separately, then the withdrawal period will be fourteen days from the date on which you or a third party designated by you, who is not the carrier, took possession of the last item.

In order to exercise your right of withdrawal, you must inform us (Philip Morris GmbH, Am Haag 14, 82166 Gräfelfing, telephone: 0800 1114767 (toll free), email: kontakt@iqos.de) in the form of a clear statement (e.g., a letter sent by post, fax or e-mail) of your decision to withdraw from this agreement. You may use the enclosed sample withdrawal form, but doing so is not mandatory.

In order to comply with the withdrawal period, it is sufficient that you send the notification that you are exercising the right of withdrawal before the withdrawal period expires.

Consequences of withdrawal

If you withdraw from this contract, we (Philip Morris GmbH) must return to you all payments we have received from you, including any potential delivery costs (with the exception of additional costs incurred due to you having chosen a type of delivery other than the most economical standard delivery we offered), without delay and no later than within fourteen days from the date on which the notification regarding your withdrawal from this contract was delivered to us. For this refund we will use the same method of payment used by you for the original transaction, unless expressly agreed otherwise with you; in no event will you be charged for this refund. We may refuse to refund your payment until we have received the items back from you or until such time as you have provided evidence that you have returned the items, whichever case takes place earlier.

You must return or hand over the items to us (Philip Morris GmbH, c/o arvato SCM Consumer Products GmbH, Buerer Str. 351, 46282 Dorsten) without delay and no later than within fourteen days from the date you notify us of contract withdrawal. This period will be deemed to have been observed if you dispatch the items before expiration of the fourteen-day period.

You will bear the direct costs of returning the items. You will be liable for any depreciation in the value of the items only if such depreciation is due to handling of the items beyond that which is necessary to examine their nature, properties, and functionality.

6.2 Philip Morris uses a sample withdrawal form to provide you with information in accordance with the statutory provisions as follows:

Sample Withdrawal form

(If you wish to withdraw from the contract, please fill out this form and return it.)

-Philip Morris GmbH , Am Haag 14, 82166 Gräfelfing, Germany, telephone: 0800 1114767 (free of charge), E-mail: kontakt@iqos.de

I/we (*) hereby withdraw from the contract I/we (*) concluded for purchase of the following items (*) / provision of the following service (*):

-Order date (*)/received on (*)

-Name of the consumer(s)

-Address of the consumer(s)

-Signature of the consumer(s) (only for notification on paper)

-Date

(*) Strike through info that does not apply.

6.3 In supplement to the legal provisions, in the interest of clarification, and furthermore exclusively to your benefit:

(i) In the event of withdrawal, you will bear the direct costs of returning the items. However, this does not apply if you use a return label provided by Philip Morris, which you can request by calling the toll-free number 0800 1114767. In this case, Philip Morris will bear the costs of the return shipment.

(ii) The right of withdrawal does not exist under the laws applying to contracts for the supply of sealed items, which are not suitable for return for reasons of health or hygiene if their seal has been removed after delivery. Accordingly, the right of withdrawal in the IQOS online shop does not apply to any (individual) pack of sealed HEETS from which the seal was removed after delivery. If you ordered a larger package unit and seals have been removed from individual packages, then you may limit your withdrawal to the individual packages whose seals were not removed after delivery, in which case Philip Morris will refund the purchase price pro rata.

7 Legal warranty and voluntary guarantee

7.1 Your rights in the event of material and title defects will be governed by the applicable statutory provisions. Philip Morris will only assume liability for damages in accordance with Clause 8.

7.2 In addition, Philip Morris grants you a limited manufacturer's guarantee for certain products. The products for which the guarantee is granted as well as the guarantee conditions can be found in the IQOS Webshop. Your legal warranty rights with respect to Philip Morris are not affected by this guarantee.

8 Liability for damages

8.1 Philip Morris is liable for damages in accordance with statutory provisions unless otherwise stipulated below.

8.2 In the event of breach of duty - irrespective of the legal ground - Philip Morris will be responsible for intent and gross negligence in the context of culpa in contrahendo liability. Subject to a milder standard of liability under statutory provisions (e.g. for diligence in one's own affairs), Philip Morris will only be liable for ordinary negligence:

(i) for damages resulting from injury to life, body, or health, and

(ii) for damages arising from a not inconsiderable breach of an essential contractual obligation (an obligation whose fulfilment is essential for the proper performance of the contract and the observance of which the contractual partner regularly relies on and may rely on); in this case, however, liability is limited to compensation for damage that is foreseeable and typical.

8.3 The above limitations of liability also apply to third parties and to breaches of duty committed by or on behalf of parties Philip Morris holds liability for in accordance with statutory provisions. Claims under the Product Liability Act will be exclusively subject to statutory provisions.

9 Special provisions and rights of withdrawal under the "Test IQOS" option

9.1 It is possible to order certain products in the IQOS Webshop for testing purposes.

The trial period is 30 days from arrival of your order ("trial period"). During the trial period, products will be on loan for you to use for a fee indicated on the website ("test fee"). During the trial period, you'll be able to fully use the products. If you do not return the products to Philip Morris within the trial period (as measured from the point in time of dispatch), then you will acquire the products at the price named on the website less the test fee which has already been paid.

9.2 If an option to order for testing purposes is available, then you will be notified on the website accordingly. The website will also indicate the test fee and the purchase price to be paid after the trial period has expired.

9.3 Orders for testing purposes are otherwise subject to these General Terms and Conditions with the following amendments and supplements:

(i) When placing an order for testing purposes, you are simultaneously submitting two binding offers to Philip Morris; specifically, an offer to conclude a rental contract whose term consists of the trial period, and an offer to conclude a purchase contract. Your purchase offer is subject to the condition that you do not return the products to Philip Morris during the trial period.

(ii) By clicking on the button ["Order now"] in the Webshop, you are submitting the statements (offers) named under (i). Philip Morris accepts both of the offers by sending the products. The purchase contract for the products materializes at the end of the trial period unless you have returned the products to Philip Morris within the trial period.

(iii) If you order products for testing purposes, then you'll pay a test fee upon placing the order. You can pay via credit card or PayPal ("Payment Instrument"). Your Payment Instrument will be charged in two steps; one will be the test fee amount when the product is sent, and the other will be the purchase price amount at the end of the testing period. The purchase price will only be charged to your Payment Instrument if you have not returned the products to Philip Morris within the trial period.

(iv) (Likewise) when placing an order for testing purposes, you do not acquire ownership of the products until the purchase price has been paid in full.

9.4 Consumers also have statutory rights to withdrawal when placing distance sale orders for testing purposes. Your rights to withdrawal are subject to Clause 6 of these General Terms and Conditions; in particular, Clause 6.2 and 6.3 also apply to orders for testing purposes. However, the withdrawal instructions under Clause 6.1 are replaced by the following:

(i) Withdrawal instructions for the trial period

Withdrawal instructions

Right of withdrawal

You have the right to withdraw from this contract within fourteen days without providing any reason.

The withdrawal period is fourteen days from the date of contract conclusion.

In order to exercise your right to withdrawal, you must inform us (Philip Morris GmbH, Am Haag 14, 82166 Gräfelfing, telephone: 0800 1114767 (toll free), email: kontakt@iqos.de) in the form of a clear statement (e.g., a letter sent by post, fax or e-mail) of your decision to withdraw from this agreement. You may use the enclosed sample withdrawal form, but doing so is not mandatory.

In order to comply with the withdrawal period, it is sufficient for you to send the notification that you are exercising the right of withdrawal before the withdrawal period expires.

Consequences of withdrawal

If you withdraw from this contract, we must return all payments we have received from you, including any potential delivery costs (with the exception of additional costs incurred due to you having chosen a type of delivery other than the most economical standard delivery we offered), without delay and no later than within fourteen days from the date on which the notification regarding your withdrawal from this contract was delivered to us. For this refund we will use the same method of payment used by you for the original transaction, unless expressly agreed otherwise with you; in no event will you be charged for this refund.

You must return or hand over the items to us (Philip Morris GmbH, c/o arvato SCM Consumer Products GmbH, Buerer Str. 351, 46282 Dorsten) without delay and by no later fourteen days from the date on which you notify us of the withdrawal of this contract. This period will be deemed to have been observed if you dispatch the items before the expiration of the fourteen-day period.

You will bear the direct costs of returning the items. You will be liable for any depreciation in the value of the items only if such depreciation is due to handling beyond that which is necessary to examine their nature, properties, and functionality.

(ii) Withdrawal instructions for purchase

Withdrawal instructions

Right of withdrawal

You have the right to withdraw from this contract within fourteen days without providing any reason.

The withdrawal period is fourteen days from the date of contract conclusion.

In order to exercise your right of withdrawal, you must inform us (Philip Morris GmbH, Am Haag 14, 82166 Gräfelfing, telephone: 0800 1114767 (toll free), email: kontakt@iqos.de) in the form of a clear statement (e.g., a letter sent by post, fax or e-mail) of your decision to withdraw from this agreement. You may use the enclosed model withdrawal form, but doing so is not mandatory.

In order to comply with the withdrawal period, it is sufficient that you send the notification that you are exercising the right of withdrawal before the withdrawal period expires.

Consequences of withdrawal

If you withdraw from this contract, we (Philip Morris GmbH) must return to you all payments we have received from you, including any potential delivery costs (with the exception of additional costs incurred due to you having chosen a type of delivery other than the most economical standard delivery we offered), without delay and no later than within fourteen days from the date on which notification regarding your withdrawal from this contract was delivered to us. For this refund we will use the same method of payment used by you for the original transaction, unless expressly agreed otherwise with you; in no event will you be charged for this refund. We may refuse to refund your payment until we have received the

items back from you or until such time as you have provided evidence that you have returned the items, whichever case is earlier.

You must return or hand over the items to us (Philip Morris GmbH, c/o arvato SCM Consumer Products GmbH, Buerer Str. 351, 46282 Dorsten) without delay and no later than within fourteen days from the date on which you notify us of withdrawal. This period will be deemed to have been observed if you dispatch the items before the expiration of the fourteen-day period.

You will bear the direct costs of returning the items. You will be liable for any depreciation in the value of the items only if such depreciation is due to handling beyond that which is necessary to examine their nature, properties, and functionality.

10 Final provisions

10.1 These General Terms and Conditions and the contractual relationship with you will be governed by German law under exclusion of the UN Convention on Contracts for the International Sale of Goods.

10.2 Should any provision of these General Terms and Conditions be invalid, the validity of the remainder of the contract remains unaffected. Instead of the invalid provision, the relevant statutory provisions will apply.

Additional important customer information

Technical procedures leading to the conclusion of the contract (shopping cart system); Correction of erroneous entries

Before you place a binding order, you can add products to your shopping cart without an obligation to buy. You can view the contents of the shopping cart at any time without obligation. You can remove the products placed in the shopping cart at any time.

If you want to purchase the products in the shopping cart, click the "Continue to checkout" button. The next step will display the personal information stored in your profile. Here, you'll have the option of changing your delivery address for the order. If you then click the "Next" button, you will see an overview of all the details of the order and can now select your preferred means of payment here. By clicking on the button "Order now with payment obligation" you complete the order process. This makes your order binding. You will then be redirected to authorize and execute the payment accordingly. The successful transmission of the order and payment details will be confirmed on the website.

The statements above will apply accordingly in the event of placing an order for testing purposes. However, the order process is finalized by clicking on the button "Order now with payment obligation."

Storage of contract text and customer accessibility

Your order will be stored by Philip Morris and can be accessed by you through your password protected user account. In your user account you can also manage your data and view order information.

Contract language

The contract is concluded in German.

Codes of conduct Philip Morris has committed to

Philip Morris has committed itself to the Guidebook for Success prepared by Philip Morris International Inc. It can be found on the Internet at www.pmi.com

Consumer dispute settlement

Philip Morris does not participate in dispute resolution proceedings before a consumer arbitration body.

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