

Terms and Conditions for participating in the IQOS Care Plus program (with customer information)

The following terms and conditions for participating in the IQOS Care Plus program (**Terms**) also contain legal information about your rights in accordance with the provisions on contracts in electronic commerce and on consumer dispute settlement.

1. Scope /Eligibility

- 1.1 These Terms are applicable to and govern the participation in the IQOS Care Plus program (**IQOS Care Plus**) of IQOS customers having their usual residence in the Federal Republic of Germany. Please read these Terms carefully as they affect your legal rights and govern your relationship with Philip Morris GmbH, Am Haag 14, 82166 Gräfelfing (**Philip Morris**).
- 1.2 You are only eligible to participate in IQOS Care Plus if: (i) you are an adult smoker or IQOS user aged 18 years and over and registered in our IQOS customer database; and (ii) your usual residence is in the Federal Republic of Germany.
- 1.3 To participate in IQOS Care Plus you must register at least one eligible device as described in clause 2.1 (**Device**) either at iqos.com, by calling our customer service center or by registering at a participating IQOS store. Please check online in your customer profile whether a registration has already occurred.
- 1.4 By signing up for IQOS Care Plus, clicking 'I Agree' or a similar button, or registering for IQOS Care Plus through a customer service center or at a participating IQOS store, you accept that these Terms apply, provided that they have been validly incorporated into the contractual relationship. If you do not agree to these Terms, you are not permitted to use IQOS Care Plus.
- 1.5 We reserve the right to amend these Terms and IQOS Care Plus upon notice at any time. If you do not agree to any such amendments you may terminate your IQOS Care Plus membership (please see clause 3.3 for more information on your right to terminate your membership at any time).

2. Eligible Devices/Registration

- 2.1 Only the following Device models are eligible for registration in IQOS Care Plus:
 - (a) IQOS 2.4, IQOS 2.4+, IQOS 3 or holders and chargers of these Devices;
 - (b) IQOS 3 MULTI.
- 2.2 The Device must have a readable and valid serial number. Furthermore, the Device must be covered by a voluntary manufacturer's warranty; the possibility of asserting claims under IQOS Care Plus for the relevant Device is linked to the (remaining) term of such voluntary manufacturer's warranty for the same Device. You cannot register any Devices for IQOS Care

Plus which are already registered in our customer database in the name of another customer (second-hand devices).

- 2.3 In the course of the customer registration process you must provide all required mandatory information in an accurate and complete manner. If you do not complete the mandatory fields in the application form (such as, for example, age, email address and/or phone number) your application will not be processed. If you provide inaccurate or incomplete information, Philip Morris reserves the right to terminate your membership of IQOS Care Plus without notice.
- 2.4 Following the registration process for IQOS Care Plus you will be informed whether your registration was successful. Membership of IQOS Care Plus and the services provided are personal to you and may not be transferred to any third party.
- 2.5 Your use of IQOS Care Plus is linked to the country of your usual residence, i.e. the Federal Republic of Germany. If the country of your usual residence changes, you must inform us and reapply to use IQOS Care Plus in your new country of residence (if available) as IQOS Care Plus is only available in certain countries.

3. Membership of IQOS Care Plus, Term for Individual Devices, Termination

- 3.1 Your membership of IQOS Care Plus begins upon registration for the program and – subject to any termination becoming effective at an earlier point in time – ends when you cannot assert any claims for any Device based on these Terms anymore.
- 3.2 You are entitled to assert claims under IQOS Care Plus for each registered Device – subject to any termination becoming effective at an earlier point in time – from the registration of such Device until the end of the voluntary manufacturer’s warranty for the same Device.
- 3.3 You may terminate your membership of IQOS Care Plus at any time with immediate effect by notifying Philip Morris at kontakt@iqos.de or by calling 0800 1114 767.
- 3.4 Philip Morris may terminate your membership of IQOS Care Plus at any time with immediate effect if you breach these Terms. Philip Morris may also terminate your membership for any reason upon 30 days’ notice.
- 3.5 Membership of IQOS Care Plus entitles you to the services described in clauses 4 and 5 (**Services**). Once termination of your membership has become effective, you are no longer entitled to receive Services under IQOS Care Plus.

4. Accidental Damage

- 4.1 If your Device suffers accidental damage, i.e. unintended damage that affects the functionality of your Device, you may be eligible for a replacement device as described in this clause 4, provided that such damage was not caused by your misuse or gross negligence (**Accidental Damage**).
- 4.2 If you deliver the damaged Device (including all components) to Philip Morris, you will be provided with a replacement IQOS Device of the same type equivalent to a new Device in performance and reliability. If a replacement IQOS Device of the same type is not available, an

IQOS device which is at least functionally equivalent to your Device will be provided as a replacement. Philip Morris will keep all replaced Devices. If only part of the Device is damaged e.g. the holder or the charger, only the damaged part will be replaced and Philip Morris will only keep the replaced part of the Device.

4.3 Limitations regarding coverage of Accidental Damage

- (a) You must take all reasonable precautions to protect your Device and use and service the Device in accordance with its user guide. If you fail to do so, you are not entitled to a replacement Device.
- (b) Your claim to a replacement Device in the event of Accidental Damage is limited to one replacement Device for each registered Device. Once you have received a replacement Device for your Device, the claims for coverage of Accidental Damage and associated Rapid Replacement (see clause 6 below) for that Device will be deemed settled. However, you can still receive the remaining Services (such as International Assistance, see clause 5, and any other services which may be included in the program at a later point in time) for your Device until the end of your membership term. Any rights you may have under statutory warranty are not affected thereby.
- (c) You are not entitled to a replacement Device if any of the following applies:
 - (i) the Device is a product not listed in clause 2.1;
 - (ii) damage is due to abuse or misuse, or actual, or attempted, modification or alteration of the Device for which you are responsible or due to power surge;
 - (iii) Devices with a serial number that has been altered, defaced or removed;
 - (iv) Devices that have been opened, serviced, modified or altered in a manner not authorized by Philip Morris;
 - (v) loss or theft of your Device;
 - (vi) cosmetic damage to your Device which does not affect the functionality of the Device, including, but not limited to, hairline cracks, scratches, dents, broken plastic on ports and discoloration;
 - (vii) damage or failure caused by normal wear and tear and/or usage of the Device;
 - (viii) improper handling, or liquid contact, damage from fire, flood, or natural disaster, war, terrorism, or acts of God;
 - (ix) malfunction due to use with non-compatible product;
 - (x) damage or malfunction caused by failure to use the Device as described in the user guide or

- (xi) failure due to defects in materials and/or workmanship and/or design; however, such failures may be covered either by your consumer rights/statutory warranty rights, which apply in addition to your rights under the program, or by the simultaneously existing voluntary manufacturer's warranty; any rights and remedies provided by applicable consumer protection laws shall also remain unaffected in all other respects.

4.4 Making a claim under Accidental Damage

- (a) To receive Services under Accidental Damage coverage, you must:
 - (i) report your claim to Philip Morris through the website at iqos.com or by calling the customer service center at the number listed for Germany on iqos.com as soon as possible when your Device has suffered Accidental Damage, providing the following information: (1) the serial number for the affected Device; (2) description of the symptoms, problems with or causes of the damage to the Device; (3) error messages; and (4) actions taken before the Device experienced problems and any steps you took to resolve the problem;
 - (ii) if requested by Philip Morris, you must provide proof of purchase for your Device; and
 - (iii) follow packaging and mailing instructions given by Philip Morris for shipping the affected Device to Philip Morris; and
 - (iv) otherwise comply with Philip Morris' return Devices authorization process.
- (b) You must not send Philip Morris products and accessories that are not supported by Accidental Damage replacement. If you send Philip Morris these items they will not be returned and they will be destroyed.
- (c) Philip Morris will examine whether you are entitled to a replacement Device in accordance with these Terms. If you are entitled to a replacement Device, you may choose between the following alternative options:
 - (i) Courier delivery. A replacement Device will be couriered to you and you must send the defective Device to Philip Morris. Philip Morris will provide you with packaging, postage prepaid, to enable you to ship the defective Device or equipment to Philip Morris.
 - (ii) Carry-in Service. You can return your defective Device at a participating IQOS store or a participating IQOS service point (certified device retailer) where you will be provided with a replacement.
- (d) If you seek to claim a replacement Device in a country that is not the country of purchase, you will need to comply with all applicable import and export laws and regulations, and you will be responsible for all customs duties, value added tax and other associated taxes and charges that may apply in connection with the delivery.

5. International Assistance

- 5.1 You have access to an international toll free number (charges may apply in some locations) when traveling abroad to countries where IQOS is commercialized by Philip Morris or its affiliates or an authorized partner; a list of these countries is available at iqos.com. This service includes troubleshooting assistance from experienced IQOS agents and if required, replacement of your Device (i) within Accidental Damage in accordance with these Terms, and/or (ii) in cases where you are entitled to rights under statutory warranty (i.e. in particular in the event of defects in materials, workmanship or design) and/or (iii) in cases where you are entitled to claims under the voluntary manufacturer's warranty.
- 5.2 The specific scope of service, Device availability, response and delivery times may vary according to country. This service will not affect your statutory warranty rights and your rights under the simultaneously existing voluntary manufacturer's warranty.
- 5.3 Limitations regarding International Assistance:
- (a) The limitations contained in clause 4.3 (Limitations) also apply to Accidental Damage replacement under International Assistance, with the exception of clause 4.3.c) xi).
 - (b) If any of the following circumstances apply, replacement of an IQOS Device is excluded (i) in cases where you invoke statutory warranty rights and (ii) in cases where you invoke claims under the voluntary manufacturer's warranty:
 - (i) damage caused by normal wear and tear;
 - (ii) cosmetic damage (such as scratches, dents, broken plastic etc.);
 - (iii) damage caused by misuse, power surge, improper handling, liquid contact or fire;
 - (iv) malfunction due to use with non-compatible product;
 - (v) damage or malfunction caused by attempt to open, modify and repair the Device, either by the user or by a service provider not accredited by the manufacturer; or
 - (vi) damage or malfunction caused by failure to use as described in the user guide.

5.4 Making a claim under International Assistance

- (a) To receive Services under International Assistance, you must:
- (i) report your claim to the customer service center by calling 0800 1114 767 as soon as possible when your Device suffers Accidental Damage or when you become aware that you are entitled to statutory warranty rights or claims under the voluntary manufacturer's warranty, providing the following information: (1) the serial number for the affected Device; (2) description of the symptoms, problems with or causes of the damage to the Device; (3) error messages; and (4) actions taken before the Device experienced problems and any steps you took to resolve the problem;
 - (ii) provide proof of purchase for your Device if so requested by Philip Morris. If such proof of purchase is not available, Philip Morris will use the manufacturer packaging date resulting from the serial number as a reference. In this case, the date of purchase will be calculated by adding three months to the manufacturer packaging date;
 - (iii) follow packaging and mailing instructions given by Philip Morris for shipping the affected Device to Philip Morris; and
 - (iv) otherwise comply with Philip Morris' return Devices authorization process.
- (b) Philip Morris will examine whether you are entitled to a replacement Device in accordance with these Terms. If you are entitled to a replacement Device, it will be provided to you in one of the following ways, as determined at the discretion of Philip Morris:
- (i) Courier delivery. A replacement Device will be couriered to you and you must return the defective Device to Philip Morris. Philip Morris will provide you with packaging, postage prepaid, to enable you to ship the defective Device or equipment to Philip Morris.
 - (ii) Carry-in-Service. You can return your defective Device at a participating IQOS store or a participating IQOS service point where you will be provided with a replacement.
 - (iii) Mail-in-Service. Philip Morris will provide you with packaging, postage prepaid, to enable you to ship the defective Device or equipment to Philip Morris. Once the screening is complete, Philip Morris will return the Device or a replacement to you. Philip Morris will pay postage costs for shipment to and from your location if all instructions are followed by you.
- (c) You will need to comply with all applicable import and export laws and regulations, and you will be responsible for all customs duties, value added tax and other associated taxes and charges that may apply in connection with the delivery.

6. Other services

Rapid Replacement Service. This service provides for rapid replacement of your Device within a guaranteed time period; information on the applicable period can be obtained during the replacement procedure through iqos.com or through the customer service center. This Service is available in case of Accidental Damage and in cases where you are entitled to statutory warranty rights and/or claims under the voluntary manufacturer's warranty. For a replacement due to Accidental Damage, you are limited to one Rapid Replacement Service for each Device. This service is also only applicable in selected German cities. A list of these cities is available in our FAQ section at iqos.com.

7. Your Obligations

You agree

- (a) not to misuse the IQOS Care Plus program and the Services;
- (b) to keep your membership account safe and secure;
- (c) that, where an exchange takes place, any replacement Device becomes your property and the replaced Device becomes the property of the entity which makes the exchange; and
- (d) to comply with applicable law.

8. Warranty/Limitation of Liability

- 8.1 As your membership of IQOS Care Plus is free of charge, it is provided 'As Is' in accordance with the framework conditions applicable from time to time and without any warranty.
- 8.2 Philip Morris shall be liable for damages in accordance with the statutory provisions unless otherwise stipulated below.

In the event of breaches of duty – for whatever legal reason – 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, limb or health, and
- (ii) for damages arising from the 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 any foreseeable, typically occurring damage.

The above limitations of liability also apply to third parties and to breaches of duty by or on behalf of persons for whose fault Philip Morris is responsible for in accordance with statutory

provisions. For claims under the Product Liability Act, the statutory provisions will apply exclusively.

8.3 Nothing in this clause 8 excludes any liability that cannot be excluded by applicable law.

9. Miscellaneous

9.1 IQOS Care Plus is not an insurance policy.

9.2 IQOS Care Plus is currently provided free of charge.

9.3 Details of the processing of your personal data that you provide us are described in our Privacy Notice available at <https://de.iqos.com/de/ueber-iqos/datenschutz>.

9.4 These Terms 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.

9.5 For questions, inquiries and contact information please refer to kontakt@iqos.de or call 0800 1114 767.

Additional important customer information

When registering for IQOS Care Plus online through iqos.com: Technical procedures leading to the conclusion of the contract; correction of input errors

If you register for IQOS Care Plus through iqos.com, you offer to conclude a contract by clicking the “register now” button or a similar button. Input errors can be corrected at any time during the registration process. After your registration, Philip Morris will inform you whether registration was successful; confirmation of successful registration also constitutes acceptance by Philip Morris of your contract offer.

Storage of the contract text and accessibility for the customer

Your registration data will be stored by Philip Morris and can be accessed by you through your password protected customer account. In your customer account you can also manage your data.

Contract language

The contract is concluded in the German language.

Codes of conduct to which Philip Morris has committed itself to

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

Consumer dispute settlement

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

Philip Morris GmbH

Status: March 2019