

Complaint

IN THE MATTER OF

BMW OF NORTH AMERICA, LLCCONSENT ORDER, ETC. IN REGARD TO ALLEGED VIOLATION OF
SECTION 5 OF THE FEDERAL TRADE COMMISSION ACT AND THE
WARRANTY ACT*Docket C-4555; File No. 132 3150**Complaint, October 20, 2015 – Decision, October 20, 2015*

The complaint alleges that BMW of North America, LLC required owners to have routine maintenance, such as oil changes, performed by MINI dealers and to use genuine MINI parts or else their warranty would be voided, which is in violation of the Warranty Act. The FTC enforces the Warranty Act, which regulates consumer warranties and the procedures used to resolve warranty disputes. The Warranty Act prohibits a warrantor from conditioning a consumer product's warranty on the consumer's use of an article or a service which is identified by brand, trade, or corporate name. The complaint further alleges that this requirement appears in two places in the Warranty Statement. BMW of North America, LLC was established in 1975 as the United States importer of BMW luxury/performance vehicles. The proposed consent order contains provisions designed to prevent respondent from engaging in similar acts or practices in the future. Specifically, Part I prohibits respondent, in connection with the sale of any MINI Division good or service, from violating any provision of the Warranty Act, including, but not limited to, the anti-tying provision. It also prohibits respondent, in connection with the sale of any MINI good or service, from misrepresenting that vehicles, in order to operate safely or maintain value, must have maintenance work performed by a MINI dealer.

Participants

For the *Commission*: Svetlana Gans, and Kelly Horne

For the *Respondent*: Daniel Savrin, Morgan Lewis.

COMPLAINT

The Federal Trade Commission ("FTC"), having reason to believe that BMW of North America, LLC, a limited liability company, ("Respondent") violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent BMW of North America, LLC ("BMW"), is a Delaware limited liability company with its principal place of business at 300 Chestnut Ridge Road, Woodcliff Lake, New

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Jersey 07677. Respondent uses, among others, the trade names MINI USA and the MINI Division of BMW NA.

2. Respondent has advertised, marketed, offered for sale, sold, and distributed products through authorized dealers to consumers, including MINI passenger cars and MINI parts.

3. The FTC enforces the Magnuson-Moss Warranty Act, 15 U.S.C. §§ 2301-2312, (“Warranty Act”), which regulates consumer warranties and the procedures used to resolve warranty disputes. The broad purposes of the Warranty Act are: (1) to improve the adequacy of warranty information available to consumers, and thereby facilitate consumer choice; (2) to prevent deception; and (3) to improve competition in the marketing of consumer products. Among other things, the Warranty Act prohibits a warrantor from conditioning a consumer product’s warranty on the consumer’s use of an article or a service (other than an article or a service provided without charge) which is identified by brand, trade, or corporate name. 15 U.S.C. § 2302(c). Pursuant to Section 2310(b) of the Warranty Act, 15 U.S.C. § 2310(b), a violation of the Warranty Act constitutes a violation of Section 5(a)(1) of the Federal Trade Commission Act, 15 U.S.C. § 45(a)(1) (“FTC Act”).

4. Respondent is a “warrantor” as defined by the Warranty Act because it is a supplier or other person who gives or offers to give a written warranty or who is or may be obligated under an implied warranty. 15 U.S.C. § 2301(5).

5. The acts and practices of Respondent alleged in this complaint have been in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act.

RESPONDENT’S BUSINESS ACTIVITIES

Overview

6. Respondent’s MINI Division distributes new MINI passenger cars throughout the United States to authorized MINI dealers, who then sell or lease MINI passenger cars to consumers.

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7. Respondent's MINI Division, through MINI dealers, provides purchasers of new MINI passenger cars a "written warranty" as defined by the Warranty Act, 15 U.S.C. § 2301(6), in the form of a Service and Warranty Information Statement ("Warranty Statement").

8. The length of the MINI New Passenger Car Limited Warranty offered by Respondent's MINI Division is four years or 50,000 miles, whichever comes first.

9. Since at least 2002, Respondent's MINI Division has offered purchasers of its new MINI passenger cars the "MINI Maintenance Program" ("Maintenance Program"), included automatically in the purchase of a MINI passenger car from a MINI dealer.

10. For MINI passenger cars sold with the Maintenance Program, the Maintenance Program's benefits cease after three years whereas the warranty lasts four years.

**Respondent's MINI Division Conditions Warranty Coverage
on the Use of MINI Dealers and MINI Parts**

11. In numerous instances, Respondent's MINI Division, through its Warranty Statements for MINI passenger cars, conditions warranty coverage on the consumer's use of genuine MINI parts and on the usage of MINI dealers to perform maintenance and repair work.

12. For instance, in the Warranty Statements for numerous models, including but not necessarily limited to the one attached as Exhibit A, Respondent's MINI Division directs consumers to "[h]ave maintenance and repair work performed by your MINI dealer" and to "[m]ake sure that the maintenance work is stamped in [the] Service and Warranty Information Statement" because "[t]hese entries are the evidence of regular maintenance of your vehicle and are a requirement for warranty claims." (Exhibit A at 2).

13. In addition, Respondent's MINI Division includes in Warranty Statements a disclaimer that, "while [the owner] may elect to use non-genuine MINI parts for maintenance or repair

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services, MINI USA is not obligated to pay for repairs that include non-genuine MINI parts . . . ” (Exhibit A at 19). Thus, Respondent’s MINI Division expressly states to consumers that its warranty will not cover repairs for parts that merely *include* “non-genuine” MINI parts.

14. By conditioning its warranty on the use of MINI dealers and genuine MINI parts without providing such parts and services without charge during the fourth year of its warranty, Respondent has violated the tying prohibition in the Warranty Act, which prohibits companies from conditioning their warranties on the consumer’s use of any article or service (other than an article or service provided without charge under the terms of the warranty) identified by brand, trade, or corporate name.

15. Moreover, the Commission has not waived this prohibition as to Respondent, and Respondent has never sought such a waiver under the procedure identified in the Warranty Act, 15 U.S.C. § 2302(c).

THE WARRANTY ACT

16. The Warranty Act, 15 U.S.C. §§ 2301-2312, is the federal law that regulates consumer warranties and the procedures used to resolve warranty disputes. It also directs the FTC to prescribe rules enforcing certain requirements pertaining to the use and content of consumer warranties.

17. Section 2302(c) of the Warranty Act, 15 U.S.C. § 2302(c), prohibits any warrantor from conditioning a warranty on the consumer’s using, in connection with the warranted product, any article or service (other than an article or service provided without charge under the terms of the warranty) which is identified by brand, trade, or corporate name.

Count I

Violating the Tying Prohibition of the Warranty Act

18. In numerous instances, Respondent has conditioned a warranty on the consumer’s using, in connection with the warranted product, an article or a service (other than an article or

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a service provided without charge under the terms of the warranty) identified by brand, trade, or corporate name.

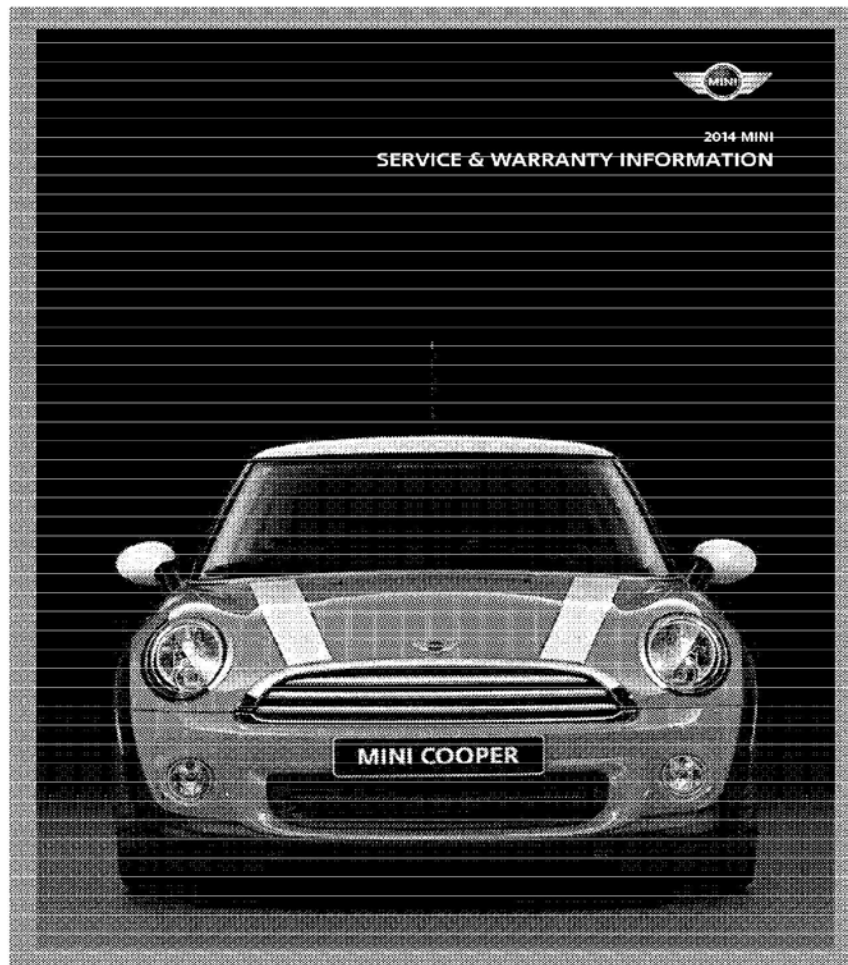
19. The acts or practices of Respondent, as described in Paragraph 18 above, violate the Warranty Act, 15 U.S.C. § 2302(c), and Section 5(a)(1) of the FTC Act, 15 U.S.C. § 45(a)(1).

THEREFORE, the Federal Trade Commission this twenty-first day of October 2015, has issued this Complaint against Respondent.

By the Commission.

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Attachment A



Owner/Driver Information:

Address _____

Home _____

VIN

Trim Code _____ Color Code _____

License Plate Number _____

Offices _____

Services _____

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2014 MINI Models covered in this Booklet

MINI Cooper Convertible, Clubman, Clubvan, Countryman, Paceman, Coupe and Roadster

MINI Cooper S Convertible, Clubman, Countryman, Paceman, Coupe and Roadster

MINI Cooper S Countryman ALL4 and Paceman ALL4

MINI John Cooper Works Convertible, Clubman, Countryman, Paceman, Coupe and Roadster

The MINI Maintenance Program

The MINI Maintenance Program is a benefit designed to help reduce the cost of scheduled and unscheduled maintenance. The program has been devised with the following objectives: to maximize vehicle safety, reliability, and resale value by minimizing breakdowns resulting from wear; and minimizing cost and inconvenience by computing maintenance intervals based upon the specific manner in which each individual vehicle is driven.

MINI Cooper, MINI Cooper S and MINI John Cooper Works passenger cars purchased from any authorized MINI dealer in the United States are covered by the MINI Maintenance Program for 36 months or 36,000 miles, whichever occurs first. Coverage begins on the date of first retail sale or the date the vehicle is first placed into service as a sales demonstrator, Aftersales Mobility Program (AMP) Vehicle or company vehicle, whichever is earlier.

Any authorized MINI dealer in the United States will perform the scheduled or additional maintenance services on your vehicle at no expense to you.

Coverage

The MINI Maintenance Program covers all factory recommended maintenance, as determined by the Condition Based Service (CBS) system. Additional specific items that need replacement due to normal wear and tear, and that are not covered by the original MINI New Passenger Car Limited Warranty - such as brake pads, brake rotors, and wiper blades - are included, provided wear and tear exceeds MINI specifications. Any applicable adjustments required due to normal operating conditions are also included. See pages 6 - 8 of this Booklet for additional information.

Exclusions from coverage include the following:

- ▷ Items reimbursable under your MINI New Passenger Car Limited Warranty

- ▷ Gasoline and gasoline additive
- ▷ Windshield washer additive (except when in conjunction with scheduled maintenance)
- ▷ Tires, wheel alignment, tire balance and rotation
- ▷ Reset Run Flat Indicator
- ▷ Wear and tear of soft trim items, such as: seats, carpets, moldings, headliner, door panels and all chrome trim
- ▷ Damage, including consequential, which results from negligence, improper operation of the vehicle, wear and tear or deterioration due to driving habits or conditions, improper repair, environmental influences, flood, accident or fire damage, road salt corrosion, alteration, installation of non-genuine MINI accessories, or use of improper, poor quality or contaminated fuel
- ▷ Altered or unreadable Vehicle Identification Number (VIN) or odometer irregularities or vehicles where the true mileage cannot be determined
- ▷ Maintenance or repair after the vehicle is deemed a total loss
- ▷ Maintenance or repairs performed by other than an authorized MINI dealer within the United States
- ▷ "Topping off" low fluids (e.g., engine oil, antifreeze, washer fluid, etc.) except when done in conjunction with a scheduled maintenance or other required maintenance work (as outlined in the customized maintenance checklist printout) that is performed during an applicable Maintenance Program period
- ▷ Vehicles used in competitive events
- ▷ Oil changes performed outside the recommended maintenance intervals as indicated by the CBS

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Maintenance Upgrade Option

Please contact your authorized MINI dealer for information and availability on the optional Maintenance Program Upgrade for coverage up to 6 years or 100,000 miles, whichever occurs first.

Intervals

Time intervals should be followed using the maintenance interval as indicated by the Condition Based Service data.

Maintenance intervals on motor vehicles have conventionally been specified based upon accumulated mileage. However, driving conditions have a major influence on routine maintenance requirements; distance traveled is only one of the significant factors. A vehicle driven for 50,000 miles of short trips in the city with numerous cold starts, prolonged periods of idling, stop-and-go driving, and high engine speeds during acceleration requires more frequent maintenance intervals than a vehicle driven for 50,000 miles for long distances at low engine speeds primarily at operating temperature.

The advanced technologies at MINI have led to the development of the Condition Based Service (CBS) system which computes the actual optimum maintenance requirements based not only upon the accumulated mileage, but taking into account important factors such as high or low engine speeds, short or long trip driving.

Condition Based Service (CBS)

CBS is a further development of the Service Interval Indicator System.

The remaining times for selected maintenance tasks as well as any legally prescribed dates are displayed to you individually:

- ▷ Engine oil
- ▷ Brakes - front and rear separately
- ▷ Brake fluid
- ▷ Vehicle check
- ▷ Required State Inspection(s)

CBS thus determines the current and future maintenance requirements.

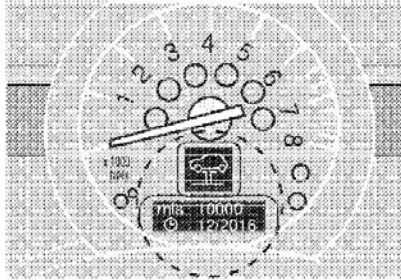
The vehicle's current service status is automatically saved in the remote control key. The MINI Service Advisor at your MINI dealer has a device called a key reader. When your MINI Service Advisor inserts your key into the key reader, all pertinent vehicle and servicing data will be available, and a customized maintenance checklist is printed out based on the specific operations called for by the Condition Based Service.

Have maintenance and repair work performed by your MINI dealer. Make sure that the maintenance work is stamped in this Service and Warranty Information Statement. These entries are the evidence of regular maintenance of your vehicle and are a requirement for warranty claims.



Disconnecting the battery during periods of long-term storage will interrupt the calculation of time-based services. Have all items requiring time-based maintenance, such as brake fluid, and possibly also the engine oil and microfilter, brought up to date by your MINI dealer. Also see the section on battery care on page 8 of this Booklet. ◀

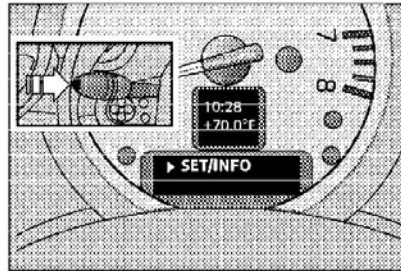
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Service Required Display

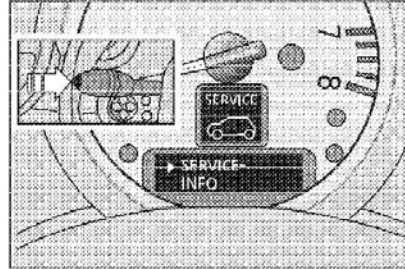
The remaining driving distance and the date of the next scheduled service are displayed briefly immediately after you start the engine or switch on the ignition.

For specific maintenance operations, you can view the respective distance remaining or due date individually in the tachometer.

1. With the driver's door closed, the ignition on; or the engine running, press the button in the turn indicator lever repeatedly until "SET/INFO" appears.

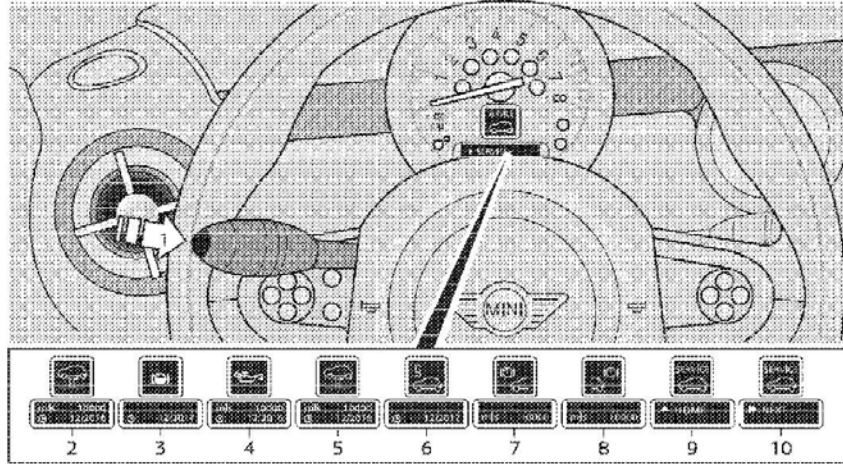


2. Keep the button pressed until the display changes.
3. Briefly press the button until the corresponding symbol and "SERVICE-INFO" appear.



4. Keep the button pressed until the display changes.
5. Briefly press the button to display the individual service requirements.

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Possible service displays

1. Button for selecting information
2. Any service due/overdue
3. Brake fluid
4. Engine oil
5. Vehicle check
6. State required safety inspection*
7. Front brakes
8. Rear brakes
9. Exit display
10. Next setting/information

***Note:** The display icons for the state required safety and emissions inspections may be deactivated by your MINI dealer, if the state in which your MINI is registered does not require them.

The sequence of displayed service items may vary. The data for the next service appointment is shown first.

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Special Note – Maintenance Intervals

The maintenance requirements for your vehicle are determined dynamically by the Condition Based Service (CBS) system. The maintenance items stated herein reflect the latest information available at the time of the printing of this Booklet, and are subject to change.

The completion of certain subsequent maintenance items or services, as required by the MINI New Passenger Car Limited Warranty, will be specified at intervals computed by the MINI Condition Based Service system as follows:

- ▷ Oil Service: Engine oil should be changed with the engine at operating temperature.

Your MINI is factory-filled with MINI High Performance Synthetic oils. We recommend MINI High Performance 5W-30 Synthetic Oil (MINI part number 07 51 Q 143 829) for regular scheduled engine oil changes.

MINI recommends that you check your engine oil level whenever you add fuel to your vehicle.

If you need to add oil between oil changes and MINI High Performance Synthetic Oil is unavailable, for the purpose of topping up the engine oil level only, use one of the following approved synthetic oils. For information on checking your engine oil level, refer to your vehicle's Owner's Manual.

The synthetic oils listed below meet MINI USA, a Division of BMW of North America, LLC's Long-life rating LL-01:

- ▷ Castrol Syntec European Formula SAE 0W-30
- ▷ Mobil 1 SAE 0W-40
- ▷ Pennzoil Platinum European Formula Ultra SAE 5W-30
- ▷ Valvoline SynPower SAE 5W-30

The choice of the right SAE grade is based on the climatic conditions in the region in which you normally drive your MINI. To best determine which SAE grade is best suited for your vehicle, contact an authorized MINI dealer.

If you are unable to obtain MINI High Performance Synthetic Oil or an approved synthetic oil from the list above, for the purpose of topping up the engine oil level only, use only a synthetic oil with an API rating of SM or higher.

The following maintenance services:

- Brake Fluid Service;
- Intake Air Cleaner Service;
- Oxygen Sensor Service;
- Spark Plug Service;
- Ventilation Microfilter Service,

must be performed when required as indicated by the following as applicable:

- ▷ The specified CBS engine oil service counter interval
- ▷ The time interval (the first occurrence based on the vehicle's production date)
- ▷ The stated mileage for a "non-connected" maintenance service

Refer to pages 6 - 8 for additional information.

Additionally,

- The engine coolant has a long-term rating and does not need to be changed except for system repairs.

For your convenience, you may also wish to have your MINI dealer perform any necessary operations to fulfill any state inspection requirements in your area concurrent with the maintenance services specified above during other repairs. **Should you request more frequent maintenance service, the cost of these services will not be covered by the MINI Maintenance Program.**

MINI has applied the most modern technological advances not only to the design and production of your vehicle, but also to computing of the optimum maintenance interval for your type of operations and driving style. Your MINI dealer has made a substantial investment in unique MINI special service tools to enable its MINI factory trained service technicians to perform quality repairs on your MINI in minimal time to help maximize your satisfaction with your MINI, its longevity, and resale value.

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Quality Certification I

Quality Certification I	
Performed by (Selling MINI Dealer/Stamp with Code)	
FREE OF CHARGE	
Date _____	Mileage _____
Authorized Signature of Service Manager _____	

For a detailed list of items inspected, refer to the Quality Certification I form provided to the Owner at time of delivery. A copy of the form is on file at the selling MINI dealer.

Fuel Quality – Gasoline

Only use fuels advertised to have adequate detergency and low alcohol (such as ethanol) content. Please refer to your Owner's Manual for important information on the fuel recommended for use in your vehicle. Use of fuels with insufficient detergent and/or excess alcohol can cause driveability problems that necessitate cleaning intake valves and fuel injection valves, and, when applicable, adjusting the engine idle. We suggest having this work performed by your authorized MINI dealer, perhaps while regular maintenance is performed. Your MINI dealer can also recommend a gasoline additive that will provide sufficient detergency. While this recommended unscheduled maintenance is not required in order to maintain the emission warranty, cleaning of intake valves or, when applicable, fuel injection valves, or adjustment of engine idle, necessitated by use of inappropriate fuel, is not covered by warranty because no defect in material or workmanship or component failure is involved.

Maintenance Service Summary

The Condition Based Service (CBS) system will determine the requirement for performing the maintenance services described in this section, ending on page 8. These services may be required either individually or in conjunction with other maintenance services.

Maintenance services are performed as outlined in this section, based on intervals of either time, mileage or after performing a specified number of previous services. These intervals correspond to the latest information available when this Booklet was printed. Maintenance intervals are subject to change with newer vehicles or may also apply retroactively. Your MINI dealer will advise and perform maintenance services as required by the most recent information that applies to your vehicle.

Unscheduled maintenance

Only use fuels advertised to have adequate detergency and low alcohol content. Use of fuels with insufficient detergent and/or excess alcohol can cause driveability problems that necessitate cleaning intake valves and fuel injection valves, and, when applicable, adjusting the engine idle. We suggest having this work performed by your authorized MINI dealer, perhaps while regular maintenance is performed. Your MINI dealer can also recommend a gasoline additive that will provide sufficient detergency. While this recommended unscheduled maintenance is not required in order to maintain the emission warranty, cleaning of intake valves or, when applicable, fuel injection valves, or adjustment of engine idle, necessitated by use of inappropriate fuel, is not covered by warranty because no defect in material or workmanship or component failure is involved.

Standard operations

Maintenance work:

- ▷ Verify Check Control messages.
- ▷ Check indicator and warning lights.
- ▷ Reset CBS display.
- ▷ Lubricate tailgate hinges.
- ▷ Inspect tires, adjust tire pressures and reset Tire Pressure Monitor.
- ▷ Check parking brake functionality while the vehicle is being driven into the workshop.

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Engine oil

Maintenance work:

- ▷ Change the engine oil and oil filter (as shown in CBS). We recommend MINI High Performance 5W-30 Synthetic Oil P/N 07 51 0 143 829.

Maintenance services connected to a specific engine oil service*

Maintenance work:

- ▷ At every 2nd Engine Oil Service: Ventilation microfilter: replace ventilation microfilter.
- ▷ At every 5th Engine Oil Service: Intake air cleaner: replace air filter element (reduce replacement interval in dusty operating conditions).

*These additional connected services will not be shown in the vehicle's CBS display.

Maintenance services that display in CBS**Front brake**

Maintenance work:

- ▷ Replace brake pads, clean brake pad contact points in calipers.
- ▷ Brake discs: Check surface and thickness; replace as necessary.

Rear brake

Maintenance work:

- ▷ Replace brake pads, clean brake pad contact points in calipers.
- ▷ Brake discs: Check surface and thickness; replace as necessary.
- ▷ Parking brake: Check function. Repair or replace parking brake shoes/linings only if a reduction in the brake's effectiveness is noted.

Vehicle check

Maintenance work:

- ▷ Check operation of horn, headlight flasher and hazard warning flashers.

- ▷ Check instrument and control lighting, and heater/air-conditioning blower.
- ▷ Check lighting system: turn signals, back-up, license plate, interior (incl. map, reading lights), glovebox, luggage area lights.
- ▷ Safety belts: check condition and function.
- ▷ Check windshield wiper and washer jet positions.
- ▷ Tires: check tread depth, wear pattern, outer condition, inflation pressure. If necessary, correct pressure.
- ▷ Battery: check state of charge (magic eye) and charge if required.
- ▷ Visually inspect all SRS airbag units for torn covers, obvious damage or attachment of stickers.
- ▷ Convertible: Open the convertible top. Activate automatic rollover protection system via OBD diagnostic link.
- ▷ Rear-view mirrors.
- ▷ Coolant: check fluid level and concentration.
- ▷ Windshield washer and intensive cleaning systems: check protection level, fluid level; top if necessary.
- ▷ Brake system connections and lines: check for leaks, damage and correct positioning.
- ▷ Underbody, incl. all visible parts (i.e., transmission, rear axle, fuel lines, exhaust system): check for damage, leaks and corrosion.
- ▷ Steering components: check for clearance, damage and wear.
- ▷ MINI Mobility System: check expiration date on sealant bottle. Change sealant bottle if necessary.
- ▷ Final Inspection: Road test with check of:
 - Brakes
 - Steering
 - Shock absorbers (visual)
 - Transmission

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Brake fluid

Maintenance work:

- Replace brake fluid (as shown in CBS).

Spark plugs (connected to specific Engine Oil Service)

Maintenance work:

- Replace at every 6th Engine Oil Service (approximately 60,000 miles)

Emission Control Maintenance Schedule

The maintenance schedule as shown is required for the proper functioning of the emission control systems for optimum vehicle performance and fuel economy.

Basic Engine

Engine oil	As specified by CBS
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Engine oil filter	As specified by CBS
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Fuel System

Air filter	As determined by CBS
------------	----------------------

Ignition System

Spark plugs (all models)	At every 6th Engine Oil Service (approximately 60,000 miles)
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Emission Control Components

Oxygen sensor	120,000 miles
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Oxygen sensor	150,000 miles (if eligible for the California Emissions Warranty)
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Oxygen Sensor Service: The oxygen sensor deteriorates strictly on a mileage basis and must therefore be replaced to maximize vehicle fuel economy and minimize exhaust pollution.

Battery Care

If your car is driven only for short distances of less than 10 miles over a prolonged period of time, without an occasional drive at highway speeds, the engine's charging system will not maintain the battery. Insufficient use of the vehicle could result in short-term starting problems and in the long term could damage the battery.

In case the car is not operated for more than four weeks, it is advisable to:

- consider using a proper trickle charger, following the charger manufacturer's instructions, to maintain the battery's state of charge; or
- consult your MINI dealer regarding battery removal. Once removed, the battery must be charged and stored in a cool, dry place where it can be protected from freezing. If the battery will be stored for over 3 months, it must be recharged every 3 months, or else it will become damaged and useless.

Please consult with your MINI dealer for further guidance and information.

Corrosion Protection

Extensive corrosion protection measures now make it possible to offer a 12-year unlimited mileage anti-corrosion warranty against rust perforation on your vehicle provided that the vehicle is maintained in accordance with the provisions of the MINI New Passenger Car Limited Warranty as outlined in the Warranty Section of this Booklet (page 18).

The major degree of corrosion protection is due to the electrophoretic dip painting process which cathodically deposits paint particles on all body parts, attracting paint particles into the minutest cavities or seams. Body parts are designed to provide optimum corrosion protection.

During manufacture, exterior body parts receive an additional corrosion protection coat. Hood, trunk, doors and other body parts with metal folds are coated with PVC and sealed from the outside.

All floor panels receive a resilient coating of PVC for maximum protection against damage due to stones, etc.

Corrosion protection materials tested over many years are applied to the surfaces of cavities and to the entire underside of the vehicle during and after assembly.

For additional information on the 12-year unlimited mileage anti-corrosion warranty, see the Warranty Section of this Booklet (page 19).

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Restoring Corrosion Protection

Please take care that anti-corrosion material is replaced when your car is repaired after body or chassis damage.

MINI will not accept any liability for any parts and accessories not approved by the MINI USA, a Division of BMW North America, LLC.

Underbody Maintenance

The underbody has to be cleaned at least once a year, in Spring, with plain water in order to remove mud, chemical sediments and other deposits. If those materials are not removed, corrosion (rust) will occur.

Your MINI dealer will do this anti-corrosion service for you.



Do not apply additional undercoating or rust-proofing on or near the exhaust manifold, exhaust pipes, catalytic converter or heat shields. During driving, the substance used for undercoating could overheat and cause a fire. ⚠

MINI Roadside Assistance

The MINI Roadside Assistance Program reflects MINI USA, a Division of BMW North America, LLC's commitment to your complete satisfaction with the MINI ownership experience.

It's available for U.S. version MINIs in all 50 states, Canada, and Puerto Rico 24 hours a day, 365 days a year.

It's a valuable benefit provided to you at no additional cost. (Subject to certain limitations and exclusions noted on pages 11).

Telephone: 1 866 646-4772 (MINIRSA).

The MINI Roadside Assistance Program is not a warranty and does not affect your rights under the MINI New Passenger Car Limited Warranty.

Services provided by a third-party business partner.

MINI Roadside Assistance Smartphone Application

The free MINI Roadside Assistance Smartphone App dispatches fast, reliable service to your MINI. For more details and to download the App for your iPhone®, BlackBerry®, Android™ or Windows Mobile® Smartphone, visit <http://roadsidemobile.com/minis>

Owner's Eligibility

You are covered if your vehicle is:

- ▷ A new MINI passenger car, distributed by MINI USA, a Division of BMW North America, LLC, and purchased at an authorized MINI dealer, OR;
- ▷ A new, U.S. version, MINI passenger car purchased under the Diplomatic or Military Sales programs, operated in any of the 50 states, Canada and Puerto Rico.

The vehicle itself is covered when driven by any authorized driver. Protection is concurrent with the MINI New Passenger Car Limited Warranty.

Protection:

New MINI — Protection is provided for 4 years/unlimited miles. NOTE: This does not affect warranty coverage which remains at 4 years/50,000 miles.

Getting Started

For your convenience, a decal showing Roadside Assistance information has been affixed on the driver's side of the windshield and in the rear compartment area.

Calling For Assistance

The toll-free MINI Roadside Assistance number is answered by a MINI Roadside Assistance service representative. In order for you to receive quick and reliable services, it is essential that you provide detailed and accurate information to the service representative.

Complaint

Be prepared to give:

- ▷ Your name
- ▷ Your complete Vehicle Identification Number (found on your vehicle registration, or on the bottom driver's side of your windshield)
- ▷ Model description of your vehicle
- ▷ License plate number of your vehicle
- ▷ Vehicle location (including nearby crossroads/intersections, highway mile markers, street numbers, landmarks, etc.)
- ▷ Location you are calling from (including a telephone number where you can be reached). If you are calling from a public phone, wait there for the return call. Do not leave this location without informing the Roadside Assistance service representative.
- ▷ A description of your vehicle's problem. Specific and accurate information will enable the Roadside Assistance service representative to provide the proper help.

Note: If you are using the free MINI Roadside Assistance Smartphone App, the information above is not required.

Services

From the information you provide, the MINI Roadside Assistance service representative will determine the type of help required.

Dispatch Service

A service provider will be dispatched to the site of your disabled vehicle.

On-Site Assistance

On-site service for vehicle disablements such as flat tires, dead batteries, and out of fuel conditions is provided by MINI Roadside Assistance.

The cost for parts and fuel, when used on-site, are the responsibility of the owner/driver. The MINI New Passenger Car Limited Warranty does not cover any of the above on-site services.

Lock-Out

Please contact MINI Roadside Assistance for lockout situations. MINI Roadside Assistance will attempt to reunite the owner with a spare key by calling someone at the customer's residence or by sending a taxicab to pick you up. (Cost of the taxi is not reimbursable.) Be sure the vehicle is in a safe location in the above situations. As a last resort, we will have your MINI towed to a dealership. The MINI dealership can assist with key replacement. Towing services will be provided up to a maximum of \$100.00 per incident. The cost for replacement keys is the responsibility of the owner/driver.

Towing Service

In the event of a mechanical breakdown normally covered under the MINI New Passenger Car Limited Warranty, your vehicle will be transported (at no cost) to the nearest authorized MINI dealer, or to the MINI dealer of your choice, provided that the dealer is within a 50 mile radius of the closest dealer. Your vehicle is also covered in the event of an accident or collision.

If a breakdown occurs after normal business hours, your vehicle will be transported to a secure location and transported to the nearest authorized MINI dealer on the next business day.

If you request that the vehicle be taken to a location other than the nearest authorized MINI dealer, any additional expense will be your responsibility.

Towing requests for vehicles disabled because of casualty, fire, act of God, acts of war (declared or undeclared), or violation of law (federal, state or local) are accepted at the expense of the owner/driver.

If it is necessary for you to have your vehicle towed through your own arrangements, **you must contact MINI Roadside Assistance for prior authorization and instructions on claim procedures.** All claims must be submitted within sixty (60) days of the disablement or occurrence, accompanied by the original receipts. Claims received after that time period may not be honored and are subject to the full discretion of MINI Roadside Assistance. If MINI Roadside

Complaint

Assistance is not contacted for "prior" authorization, the maximum coverage for towing situations is \$50.00.

Sign-and-Drive

In most instances, services provided under the MINI Roadside Assistance Program do not require immediate payment.

Usually, you will be able to sign a receipt, so the provider of the service can be reimbursed directly by MINI Roadside Assistance.

Parts, materials, and fuel should be paid for by you directly to the provider of the services.

Trip Interruption Benefits

Trip interruption benefits are provided for mechanical breakdowns as follows:

- ▷ Breakdowns that are warranty related, and;
- ▷ Must occur in excess of 100 miles from the driver's primary residence, and;
- ▷ Repairs cannot be completed during normal business hours on the same day of breakdown.

Reimbursements will be made for meals, lodging, car rentals, and alternate transportation to bring the driver and the MINI passenger car together after the vehicle has been repaired by an authorized MINI dealer. Original receipts and a copy of the vehicle repair order must accompany all reimbursement requests.

Trip interruption coverage is limited to \$1,000.00 per incident, for a maximum of five days per incident.

Always contact MINI Roadside Assistance for trip interruption benefits. They will assist in making all the necessary arrangements.

Exclusions

Specifically excluded from coverage are:

- ▷ Fines, taxes, or impound towing fees caused by a violation of local or state law.
- ▷ Expenses related to extreme adverse weather conditions, including, but not limited to, floods,

hurricanes and tornadoes (removal from water, snow, ice, etc.).

- ▷ Expenses for the removal of snow tires, and mounting or removal of snow chains.

Customer Assistance Information

Your satisfaction with our product and the services provided by authorized MINI dealers is of great importance to us. We take pride in our product, as does the MINI dealer who services it. If you should ever have a question regarding your MINI dealer's service or your MINI's performance, we recommend that you contact your authorized MINI dealer.

When contacting an authorized MINI dealer, we suggest that depending upon the nature of your contact, you discuss it with either the Sales, Service, or Parts Manager.

As all matters are resolved at the MINI dealer level, it is important that they be given the opportunity to provide a solution. Should you feel that you were not provided with the proper response, we urge you to contact the General Manager or MINI Dealer Operator.

Despite the best intentions of all parties, a misunderstanding may occur between you and your MINI dealer. Should this occur and you require further assistance, you may wish to contact the MINI USA's Customer Relations and Services Department at:

Telephone: 1 866 ASK-MINI (275-6464)
Email: MINI.assistance@askMINIUSA.com

When contacting us, we ask that you provide the following information:

- ▷ Your name, address and telephone number
- ▷ Vehicle Identification Number (last seven digits)
- ▷ Vehicle's delivery date
- ▷ Vehicle mileage
- ▷ Selling MINI dealer's name
- ▷ Servicing MINI dealer's name
- ▷ Description of the problem

A MINI USA Customer Relations and Services Representative will carefully review all the facts involved and let you know what further action will be taken in conjunction with your MINI dealer.

Complaint

Please remember: the first step in resolving a complaint is to contact the authorized MINI dealer that performed the work on your vehicle. They have the necessary equipment and the personnel to achieve this goal.

We are confident that every effort will be made to ensure your satisfaction.

Customer Assistance - Notification

During a specific period (for example, the earlier of 12 months or 12,000 miles, though this period varies by state), some states require us or our authorized MINI dealer to repair in a reasonable number of attempts, any defect or condition which substantially impairs the use, value, or safety of a new vehicle sold, leased or registered in that state.

A "reasonable number of attempts" is generally defined as: (i) four or more attempts to repair the same defect (the number of attempts vary by state) or (ii) the vehicle is out of service by reason of one or more repair(s) for more than a cumulative total of 30 days (this period varies by state), except for delays created by conditions beyond our control.

If we are unable to correct a defect or condition covered by these statutes in a reasonable number of attempts, we may be obligated either to replace the vehicle or reimburse the owner/lessee in an amount equal to the purchase price or lease payments paid by the owner/lessee, less the amount directly attributable to use of the vehicle by the owner/lessee.

You should send written notification directly to MINI USA, a Division of BMW North America, LLC of the existence of an alleged defect. Send written communication to the Customer Relations and Services Department address listed below.

MINI USA, a Division of BMW of North America, LLC
Customer Relations and Services Department
P.O. Box 1227
Westwood, NJ 07675-1227

Telephone: 1 866 ASK-MINI (275-6464)
Email: MINI.assistance@askMINIUSA.com

IMPORTANT: IF THIS VEHICLE HAS A DEFECT THAT SUBSTANTIALLY AFFECTS ITS USE, VALUE OR SECURITY, OR THAT MAY CAUSE

DEATH OR SERIOUS BODILY INJURY IF DRIVEN, AND WAS PURCHASED, LEASED OR REGISTERED IN NEW JERSEY, YOU MAY HAVE THE RIGHT UNDER THE LEMON LAW IN THE STATE OF NEW JERSEY TO A REFUND OF THE PRICE OF PURCHASE OR TO YOUR LEASE PAYMENTS.

Here is a summary of your rights:

1. To qualify for compensation under the New Jersey lemon law, you must give the manufacturer or your dealer opportunity to repair or correct the defect of the vehicle within the terms of protection under the lemon law, which are the first 24,000 miles of operation or two years after the date of original date of delivery or whichever comes first.
2. If the manufacturer or your dealer cannot fix or correct the defect within a reasonable amount of time, you may have the right to return the vehicle and receive a full refund, less a discount for the use of the vehicle.
3. If it is assumed that the manufacturer or your dealer cannot repair or correct the defect and if the same defect continues to substantially exist after that the manufacturer has received a notice of the defect, sent by certified mail with return receipt, and has had a final chance to correct the defect or condition within 10 days of receiving the notice. This notice must be received by the manufacturer within the terms of protection and can only be given after (i) the manufacturer or your dealer has attempted two or more times to correct the defect; (ii) the manufacturer or your dealer has attempted, at least once, to correct the defect if the defect is one which can cause death or serious bodily injury if the vehicle is operated; or (iii) the vehicle has been out of service for repairs by a total of 20 calendar days accumulation or more, or in the case of a rolling motorized house (motorhome) 45 days or more.

Complaint

4. If the same defect substantially continues to exist after the manufacturer has had the last opportunity to repair or correct the defect, you may file a claim for compensation under the New Jersey lemon law.

FOR COMPLETE INFORMATION ABOUT YOUR RIGHTS AND RESOURCES UNDER THIS LAW, INCLUDING THE MANUFACTURER'S ADDRESS FOR NOTIFICATION OF THE DEFECT, PLEASE CONTACT: NEW JERSEY DEPARTMENT OF LAW AND PUBLIC SAFETY, DIVISION OF CONSUMER AFFAIRS, LEMON LAW UNIT, POST OFFICE BOX 45026, NEWARK, NEW JERSEY 07101, PHONE NUMBER: 1 973 504-6226

IMPORTANTE: SI EL VEHÍCULO TIENE UN DEFECTO QUE AFECTE DE MANERA SUSTANCIAL SU USO, VALOR O SEGURIDAD, O QUE PUEDA CAUSAR LA MUERTE O LESIONES CORPORALES GRAVES SI SE MANEJA, Y SE COMPRÓ, ARRENDÓ O REGISTRÓ EN NUEVA JERSEY, PUEDE TENER DERECHO EN LOS TÉRMINOS DE LA LEY SOBRE DEFECTOS CONOCIDA COMO "LEMON LAW" DEL ESTADO DE NUEVA JERSEY A UN REEMBOLSO DEL PRECIO DE COMPRA O DEL PAGO DEL ARRENDAMIENTO.

Aquí le damos un resumen de sus derechos:

1. Para tener derecho a una indemnización en los términos de la "Lemon Law" de Nueva Jersey, debe dar el fabricante o a su concesionaria la oportunidad de reparar o corregir el defecto del vehículo dentro de los plazos de protección que establece esta ley, que son las primeras 24,000 millas de operación o dos años a partir de la fecha de entrega original, lo que ocurra primero.
2. Si el fabricante o su concesionaria no pueden arreglar o corregir el defecto en un plazo razonable, puede tener derecho a devolver el vehículo y recibir un reembolso integral, menos un descuento por el uso del vehículo.
3. Se da por sentado que el fabricante o su concesionaria no pueden reparar o corregir el defecto si el mismo defecto continúa existiendo de manera sustancial después de que el fabricante ha recibido una notificación del defecto enviada por correo certificado con acuse de recibo, y ha tenido una última oportunidad de corregir el defecto o problema en los 10 días posteriores a la recepción de la notificación. Esta notificación debe ser recibida por el fabricante dentro de los plazos de protección y sólo se puede dar después de que (i) el fabricante o su concesionaria han intentado dos o más veces corregir el defecto, (ii) el fabricante o su concesionaria han intentado, al menos una vez, corregir el defecto si este puede causar la muerte o lesiones corporales graves si se maneja el vehículo, o (iii) el vehículo ha estado fuera de servicio por reparaciones un total de 20 días calendario o más, o en el caso de una casa rodante motorizada (casa rodante), 45 días o más.
4. Si el mismo defecto sigue existiendo de manera sustancial después de que el fabricante ha tenido la última oportunidad de reparar o corregir dicho defecto, puede presentar una reclamación de indemnización en los términos de la "Lemon Law" de Nueva Jersey.

SI DESEA MÁS INFORMACIÓN ACERCA DE SUS DERECHOS Y RECURSOS EN LOS TÉRMINOS DE ESTA LEY, INCLUIDA LA DIRECCIÓN DEL FABRICANTE PARA NOTIFICACIONES DE DEFECTOS, ESTOS SON LOS DATOS DE CONTACTO: NEW JERSEY DEPARTMENT OF LAW AND PUBLIC SAFETY, DIVISION OF CONSUMER AFFAIRS, LEMON LAW UNIT, POST OFFICE BOX 45026, NEWARK, NEW JERSEY 07101, TELÉFONO: 1 973 504-6226

BBB Auto Line

If your concern is still not resolved to your satisfaction, MINI USA, a Division of BMW North America, LLC offers additional assistance through BBB AUTO LINE in ARKANSAS, CALIFORNIA, GEORGIA, IDAHO, IOWA, KENTUCKY, MARYLAND, MASSACHUSETTS, MINNESOTA, PENNSYLVANIA, and VIRGINIA. BBB AUTO LINE is a dispute resolution program

Complaint

administered by the Council of Better Business Bureaus. BBB AUTO LINE resolves disputes through mediation or arbitration. Mediation is an informal proceeding whereby a neutral third party (mediator) helps the parties to find an acceptable resolution. Arbitration is also an informal proceeding in which an impartial third party renders a decision after a hearing at which both parties have an opportunity to be heard. You can select mediation or arbitration or both.

The program is free of charge to you, the consumer, but there are some minimum requirements for participation in the program. Please contact BBB AUTO LINE at the address or phone number listed below for more details:

BBB AUTO LINE
3033 Wilson Boulevard, Suite 600
Arlington, VA 22201
1 800 955-5100

If you wish to use the program and you qualify for participation, you will be required to provide the following information:

- Your name and address
- The Vehicle Identification Number (VIN)
- The make, model and year of your vehicle
- A description of the problem with your vehicle

BBB AUTO LINE will also ask you for other information that may help resolve your concerns, such as the purchase price of your vehicle, any mileage at the time of purchase, the current mileage, and copies of repair orders.

BBB AUTO LINE will notify you when your claim has been filed. If you decide to arbitrate, you may attend the hearing in person or by telephone. You may bring witnesses and give supporting evidence. You may also submit your claim in writing and ask for a decision on the documents you submit, without attending a hearing. BBB AUTO LINE will usually render a decision within 40 days from the time you file your complaint. The decision is binding on MINI if you decide to accept it. MINI must comply with the decision within the time frame specified by the arbitrator.

Important: You must use BBB AUTO LINE before asserting in court any rights or remedies created by the Magnuson Moss Warranty Act, ("The Act") 15 U.S.C. Sec. 2301, et seq. You may

also be required to use BBB AUTO LINE before seeking remedies under your state's "Lemon Law". If you choose to seek redress by pursuing rights and remedies not created by Title 1 of the Magnuson Moss Warranty Act, prior resort to the BBB AUTO LINE is not required by any provision of the Act.

California Residents

1. MINI USA, a Division of BMW North America, LLC participates in BBB AUTO LINE, a mediation/arbitration program administered by the Council of Better Business Bureaus [3033 Wilson Boulevard, Arlington, Virginia 22201] through local Better Business Bureaus. The Arbitration Certification Program of the California Department of Consumer Affairs has certified BBB AUTO LINE and BMW.
2. If you have a problem arising under a MINI written warranty, we encourage you to bring it to our attention. If we are unable to resolve it, you may file a claim with BBB AUTO LINE. Claims must be filed with BBB AUTO LINE within six (6) months after the expiration of the warranty.
3. To file a claim with BBB AUTO LINE, call 1 800 955-5100. There is no charge for the call.
4. In order to file a claim with BBB AUTO LINE, you will have to provide your name and address, the brand name and Vehicle Identification Number (VIN) of your vehicle, and a statement of the nature of your problem or complaint. You will also be asked to provide: the approximate date of your acquisition of the vehicle, the vehicle's current mileage, the approximate date and mileage at the time any problem(s) were first brought to the attention of MINI or one of our dealers, and a statement of the relief you are seeking. There is no charge to the customer in bringing this claim.

Complaint

5. **BBB AUTO LINE** staff may try to help resolve your dispute through mediation. If mediation is not successful, or if you do not wish to participate in mediation, claims within the program's jurisdiction may be presented to an arbitrator at an informal hearing. The arbitrator's decision should ordinarily be issued within 40 days from the time your complaint is filed; there may be a delay of 7 days if you did not first contact MINI about your problem, or a delay of up to 30 days if the arbitrator requests an inspection/report by an impartial technical expert or further investigation and report by **BBB AUTO LINE**.
 6. You are required to use **BBB AUTO LINE** before asserting in court any rights or remedies conferred by California Civil Code Section 1793.22. You are not required to use **BBB AUTO LINE** before pursuing right and remedies under any other state or federal law. "You are also required to use **BBB AUTO LINE** before exercising rights or seeking remedies created by Title I of the Magnuson-Moss Warranty Act, 15 U.S.C. sec. 2301 et seq. if you choose to seek redress by pursuing rights and remedies not created by California Civil Code Section 1793.22 or Title I of the Magnuson-Moss Warranty Act, resort to **BBB AUTO LINE** is not required by those statutes."
 7. California Civil Code Section 1793.3(d) requires that, if MINI or its representative is unable to repair a new motor vehicle to conform to the vehicle's applicable express warranty after a reasonable number of attempts, BMW NA may be required to replace or repurchase the vehicle. California Civil Code 1793.22(b) creates a presumption that MINI has had a reasonable number of attempts to conform the vehicle to its applicable express warranties if, within 18 months from delivery to the buyer or 18,000 miles on the vehicle's odometer, whichever occurs first, **one or more of the following occurs:**
 - The same nonconformity [a failure to conform to the written warranty that substantially impairs the use, value or safety of the vehicle] results in a condition that is likely to cause death or serious bodily injury if the vehicle is driven AND the nonconformity has been subject to repair two or more times by MINI or its agents AND the buyer or lessee has directly notified MINI of the need for the repair of the nonconformity; OR
 - The same nonconformity has been subject to repair 4 or more times by MINI or its agents AND the buyer has notified MINI of the need for the repair of the nonconformity; OR
 - The vehicle is out of service by reason of repair of nonconformities by MINI or its agents for a cumulative total of more than 30 calendar days after delivery of the vehicle to the buyer.
- NOTICE TO MINI AS REQUIRED ABOVE SHALL BE SENT TO THE FOLLOWING ADDRESS:**
- MINI USA, a Division of BMW of North America, LLC**
Customer Relations and Services Department
P.O. Box 1227
Westwood, NJ 07675-1227
1 866 ASK-MINI (275-6464)
MINI.assistance@askMINIUSA.com
8. The following remedies may be sought in **BBB AUTO LINE**: repairs, reimbursement for money paid to repair vehicle or other expenses incurred as a result of a vehicle nonconformity, repurchase or replacement of your vehicle and compensation for damages and remedies available under MINI's written warranty or applicable law.
 9. The following remedies may **not** be sought in **BBB AUTO LINE**: punitive or multiple damages, attorneys' fees, or consequential damages other than as provided in California Civil Code Section 1794(a) and (b).

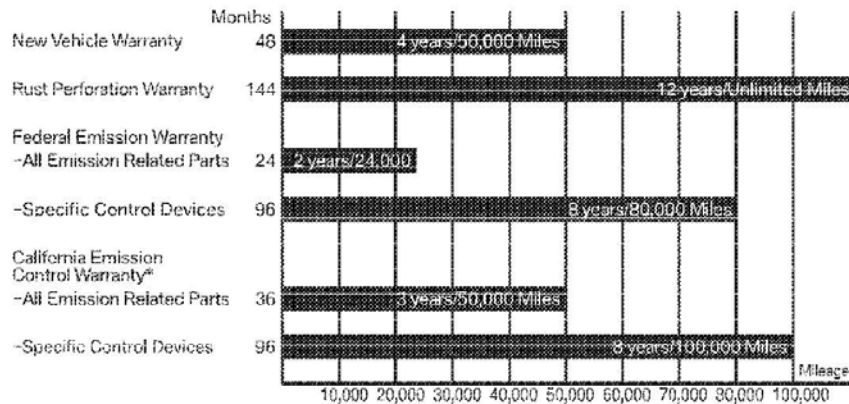
Complaint

10. You may reject the decision issued by a **BBB AUTO LINE** arbitrator. If you reject the decision, you will be free to pursue further legal action. The arbitrator's decision and any findings will be admissible in a court action.
11. If you accept the arbitrator's decision, MINI will be bound by the decision, and will comply with the decision within a reasonable time not to exceed 30 days after we receive notice of your acceptance of the decision.
12. Please call **BBB AUTO LINE** at 1 800 955-5100 for further details about the program. IDAHO Residents IMPORTANT: IF THIS VEHICLE IS DEFECTIVE, YOU MAY BE ENTITLED UNDER THE STATE'S LEMON LAW TO REPLACEMENT OF IT OR A REFUND OF ITS PURCHASE PRICE OR YOUR LEASE PAYMENTS. HOWEVER, TO BE ENTITLED TO REFUND OR REPLACEMENT, YOU MUST FIRST NOTIFY THE MANUFACTURER, ITS AGENT, OR ITS AUTHORIZED DEALER OF THE PROBLEM IN WRITING AND GIVE THEM AN OPPORTUNITY TO REPAIR THE VEHICLE. YOU ALSO HAVE A RIGHT TO SUBMIT YOUR CASE TO THE CONSUMER ARBITRATION PROGRAM WHICH THE MANUFACTURER MUST OFFER IN THIS STATE.

Special Programs

SOMETIMES THE MINI USA, A DIVISION OF BMW NORTH AMERICA, LLC OFFERS A SPECIAL ADJUSTMENT PROGRAM TO PAY ALL OR PART OF THE COST OF CERTAIN REPAIRS BEYOND THE TERMS OF THE WARRANTY. CHECK WITH YOUR MINI DEALER TO DETERMINE WHETHER ANY ADJUSTMENT PROGRAM IS APPLICABLE TO YOUR MOTOR VEHICLE.

Complaint

Overview of the MINI New Passenger Car Limited Warranties

* The California Emissions Control System Limited Warranty applies to all 2014 U.S.-specification MINI vehicles registered in California, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, Oregon, Pennsylvania, Rhode Island, Vermont or Washington.

Your vehicle has been specifically adapted and designed to meet the particular operating conditions and homologation requirements in your country and continental region in order to deliver the full MINI Motoring experience driving pleasure while the vehicle is operated under those conditions.

If you wish to operate your vehicle in another country or region, you may be required to adapt your vehicle to meet different prevailing operating conditions and homologation requirements. You should also be aware of any applicable warranty limitations or exclusions for such country or region. In such case, please contact the Customer Relations and Services Department for further information.

The MINI limited warranties apply only to U.S.-specification MINI vehicles and is valid only when repairs are performed at an authorized U.S. MINI center, subject to all applicable exclusions or limitations. All other U.S.-specification programs such as Roadside Assistance and the Maintenance Programs are also valid only in the U.S.

Complaint

MINI New Passenger Car Limited Warranty — 2014 Models (Valid Only in the U.S.A. including Puerto Rico)**Warrantor**

MINI USA, a division of BMW North America, LLC ("MINI USA") warrants 2014 U.S.-specification vehicles distributed by MINI USA against defects in materials or workmanship to the first retail purchaser, and each subsequent purchaser.

Warranty Period

The warranty period is 48 months or 50,000 miles, whichever occurs first.

Warranty Begins

Coverage begins on the date of first retail sale, or the date the vehicle is first placed into service as a sales demonstrator, Aftersales Mobility Program (AMP) Vehicle or company vehicle, whichever is earlier.

Warranty Coverage

To obtain warranty service coverage, the vehicle must be brought, upon discovery of a defect in material or workmanship, to the workshop of any authorized MINI dealer in the United States or Puerto Rico, during normal business hours. The MINI dealer will, without charge for parts or labor, either repair or replace the defective part(s) using new or authorized remanufactured parts. The decision to repair or replace said part(s) is solely the prerogative of MINI USA. Parts for which replacements are made become the property of MINI USA.

In all cases, a reasonable time must be allowed for warranty repairs to be completed after the vehicle is received by the authorized MINI dealer.

Safety Belt Warranty - Kansas

Safety belts are covered under the MINI New Passenger Car Limited Warranty for defects in material or workmanship for a period of 10 years,

unlimited mileage from the date of purchase. In order to be eligible for this coverage, the vehicle must be a new vehicle retailed in the State of Kansas and the repair must be performed by an authorized MINI dealer in Kansas.

Other Items

Wheel alignment, balancing and wiper blade inserts are covered up to the first 2,000 miles on the vehicle.

Items which are subject to wear and tear or deterioration due to driving habits or conditions, such as brake pads/linings, brake discs, clutch disc, pressure plate, filters, upholstery, trim and chrome items, paint finish, drive belts, glass, and similar items, are specifically limited to defects in material or workmanship.

What is not covered:

Remote control transmitter battery replacement.

Damage, including consequential, which results from negligence, improper operation of the vehicle, improper repair, lack of or improper maintenance, environmental influences, flood, accident or fire damage, road salt corrosion, or use of improper or contaminated fuel.

Damage to the engine, transmission or any related component caused by improper shifting of the transmission.

Maintenance services and parts when replaced during maintenance such as spark plugs, lubricants, fluids, engine tune-up parts, replacement of filters, coolant, and refrigerant.

Failure to maintain the vehicle properly in accordance with the instructions in the Owner's Manual or the Service section of this Statement, that results in the failure of any part of the vehicle.

Modification of the vehicle or installation of any performance accessories or components attached to the vehicle which alters the original engineering and/or operating specifications or which result in damage to the other original components, electrical interference, electrical short, radio static, water leaks, or wind noise.

Complaint

Tires are warranted by their respective manufacturer. See the Tire Warranty Statement on page 29.

Driving over rough or damaged road surfaces, as well as debris, curbs and other obstacles can cause serious damage to wheels, tires and suspension parts. This is more likely to occur with low-profile tires that provide less cushioning between the wheel and the road. Be careful to avoid road hazards and reduce your speed, especially if your vehicle is equipped with low-profile tires.

Non-genuine MINI Parts - While you may elect to use non-genuine MINI parts for maintenance or repair services, MINI USA is not obligated to pay for repairs that include non-genuine MINI parts or for any damage resulting from the use of non-genuine parts.

MINI will not accept any liability for any parts and accessories not approved by MINI USA, a Division of BMW North America, LLC.

This warranty shall be null and void if the Vehicle Identification Number (VIN) has been altered or cannot be read, if the odometer has been replaced or altered and the true mileage cannot be determined, if the vehicle has been declared a total loss or sold for salvage purposes, or if the vehicle has been used in any competitive event.

General

These warranties give you specific legal rights, and you may also have other rights which vary from state to state.

THE DURATION OF ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, IS LIMITED TO THE DURATION OF THE EXPRESS WARRANTIES HEREIN.

THE MINI USA, A DIVISION OF BMW NORTH AMERICA, LLC HEREBY EXCLUDES INCIDENTAL AND CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF TIME, INCONVENIENCE, OR LOSS OF USE OF THE VEHICLE, FOR ANY BREACH OF ANY EXPRESS OR IMPLIED WARRANTY,

INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, APPLICABLE TO THIS PRODUCT.

Some states do not allow limitations on how long an implied warranty lasts, or the exclusion or limitation of incidental or consequential damages, so the above limitations and exclusions may not apply to you.

Limited Warranty - Rust Perforation 2014 Models

MINI USA, a Division of BMW North America, LLC warrants this original vehicle against defects in materials or workmanship which will result in rust perforation of the vehicle body for a period of 12-years unlimited mileage. Coverage begins on the date of first retail sale or the date the vehicle is first placed into service as a sales demonstrator, Aftersales Mobility Program (AMP) Vehicle or company vehicle, whichever is earlier.

To obtain warranty service coverage, the vehicle must be brought, upon discovery of any rust perforation, to the workshop of any authorized MINI dealer. This MINI dealer will, without charge for parts or labor, either repair or replace the defective part(s). The decision to repair or replace said part(s) is solely the prerogative of MINI USA, a Division of BMW North America, LLC. Parts for which replacements are made become the property of the MINI USA.

MINI USA, a Division of BMW North America, LLC makes no other express warranty on this product except the new vehicle warranty or the warranty as to the emission control system.

THE DURATION OF ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, IS LIMITED TO THE DURATION OF THE EXPRESS WARRANTIES HEREIN.

MINI USA, A DIVISION OF BMW NORTH AMERICA LLC HEREBY EXCLUDES INCIDENTAL AND CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF TIME, INCONVENIENCE, OR LOSS OF USE OF THE VEHICLE, FOR ANY BREACH OF ANY EXPRESS OR IMPLIED WARRANTY,

Complaint

INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, APPLICABLE TO THIS PRODUCT.

Some states do not allow limitations on how long an implied warranty lasts, or the exclusion or limitation of incidental or consequential damages, so the above limitations and exclusions may not apply to you.

This warranty gives you specific legal rights, and you may also have other rights which vary from state to state. Any legal claim or action arising from any express or implied warranty contained herein must be brought within 12 months of the date it arises.

This warranty does not apply to damage caused by negligence, improper accident damage repairs, or improper use.

MINI will not accept any liability for any parts and accessories not approved by MINI USA, a Division of BMW North America, LLC.

This warranty shall be null and void if the Vehicle Identification Number (VIN) has been altered or cannot be read, if the odometer has been replaced or altered and the true mileage cannot be determined, if the vehicle has been declared a total loss or sold for salvage purposes, or if the vehicle has been used in any competitive event.

Federal Emissions System Defect Warranty (Valid Only in the U.S.A. including Puerto Rico)

This limited warranty applies only to U.S.-specification vehicles distributed by MINI USA, a Division of BMW North America, LLC.

In accordance with the defect warranty provisions of section 207(b) of the Clean Air Act, MINI warrants to the first retail purchaser, and each subsequent purchaser, that the passenger car: (a) was designed, built and equipped so as to conform, at the time of sale, with all regulations of the U.S. Environmental Protection Agency applicable at the time of manufacture; and (b) is free from defects in materials and workmanship which would cause it to fail to conform with applicable regulations for a period of 2 years or 24,000 miles, whichever occurs first, except for

specific emission control components (as listed on page 23), for which the warranty period is 8 years or 80,000 miles, whichever occurs first.

Coverage begins on the date of first retail sale or the date the vehicle is first placed into service as a sales demonstrator, Aftersales Mobility Program (AMP) Vehicle or company vehicle, whichever is earlier.

Warranty claims must be made as soon as reasonably possible after a defect is discovered. To make a claim, the car must be brought to any authorized MINI dealer during normal business hours.

The MINI dealer will, without charge for parts or labor (including diagnosis), either repair or replace the defective part, if any. The decision whether to repair or replace said parts is solely the prerogative of MINI USA, a Division of BMW North America, LLC and must be expected to correct the failure of the warranted part. Parts for which replacements are made become the property of the MINI USA. In all cases, a reasonable time must be allowed for warranty repairs to be completed after the car is received by the MINI dealer.

For assistance in determining which specific parts or components of your vehicle are covered under this warranty, please contact your MINI dealer.

It is the owner's responsibility to have all scheduled inspection and maintenance services performed (at the owner's expense), as prescribed in the maintenance schedule for the MINI Emission Control System. Service intervals are computed by the onboard MINI Condition Based Service system and displayed on the instrument panel. The instructions for proper maintenance and use can be found in the Owner's Manual. It is strongly recommended that any replacement parts used for maintenance, repair or replacement of emission control systems be certified MINI Service Parts or MINI Authorized Remanufactured Parts. Without invalidating this warranty, the owner may elect to have maintenance, repair or replacement of the emission control systems performed by any automotive repair establishment, or elect to use parts other than certified MINI Service Parts. However, the cost of such service or parts will not be covered under this warranty, except in emergency situations. In an emergency situation,

Complaint

where an authorized MINI dealer or a warranty replacement part is not reasonably available (within 30 days), repairs may be performed at any available service establishment using any equivalent part. MINI USA, a Division of BMW North America, LLC will reimburse the owner for such emergency repairs (including labor, parts and diagnosis not to exceed the MINI USA's rates for labor, parts, and diagnosis in said area) that are covered under this warranty. Replaced parts and paid invoices must be presented at an authorized MINI dealer as a condition of reimbursement for emergency repairs not performed by an authorized MINI dealer.

The use of replacement parts, which are not of equivalent quality, may impair the effectiveness of the emission control system. If other than certified MINI Service Parts or MINI Authorized Remanufactured Parts are used for maintenance, repair or replacement of components affecting emission control, the owner should obtain assurances that such parts are warranted by their manufacturer to be equivalent to genuine MINI parts in performance and durability. MINI USA, a Division of BMW North America, LLC assumes no liability under this warranty with respect to parts other than genuine MINI parts.

However, the use of non-genuine MINI replacement parts or non-EPA certified parts does not invalidate the warranty on other components, unless non-genuine MINI parts or non-EPA certified parts cause damage to warranted parts.

What Is Not Covered

This warranty does not cover malfunctions caused by any of the following: accident, flood, misuse, improper adjustment, modification, alteration, tampering, disconnection, improper or inadequate maintenance, use of leaded fuel or fuels containing more than 10% ethanol, or other oxygenates with more than 2.8% oxygen by weight (i.e., more than 15% MTBE or more than 3% methanol plus an equivalent amount of co-solvent).

The replacement of maintenance parts, such as spark plugs, filters and similar items used in required maintenance services, the repair or replacement of maintenance parts beyond the

first required inspection/maintenance, or if the part has been replaced earlier for reasons other than it being defective.

The car or any part of the car unless a failure causes the car to fail to conform to applicable emission regulations.

Any car on which the odometer has been replaced or altered and the true mileage cannot be determined.

The car, if the Vehicle Identification Number (VIN) is altered or cannot be read, or if the car has been declared a total loss or sold for salvage purposes.

General

These warranties give you specific legal rights, and you may also have other rights which vary from state to state.

THE DURATION OF ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, IS LIMITED TO THE DURATION OF THE EXPRESS WARRANTIES HEREIN.

MINI USA, A DIVISION OF BMW NORTH AMERICA, LLC HEREBY EXCLUDES INCIDENTAL AND CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF TIME, INCONVENIENCE, OR LOSS OF USE OF THE VEHICLE, FOR ANY BREACH OF ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, APPLICABLE TO THIS PRODUCT.

Some states do not allow limitations on how long an implied warranty lasts, or the exclusion or limitation of incidental or consequential damages, so the above limitations and exclusions may not apply to you. Additionally, if you are a California, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, Oregon, Pennsylvania, Rhode Island, Vermont or Washington resident and your vehicle is registered in that state, your vehicle is eligible for California Emissions Warranty coverage.

These federal warranty provisions also apply to all vehicles sold in all U.S. states and territories regardless of whether a state has enacted state warranty provisions that differ from the federal provisions.

Complaint

**Federal Emission Performance
Warranty (Valid only in the U.S.A.
including Puerto Rico)**

In those states and jurisdictions that have established periodic vehicle emissions tests to encourage proper vehicle maintenance and require the vehicle to pass an emissions test approved by the U.S. Environmental Protection Agency and:

1. The passenger car was distributed by MINI USA, a Division of BMW North America, LLC; and
2. The car has been maintained and operated in accordance with the instructions for proper maintenance and use set forth in the Owner's Manual supplied with the car; and
3. The car fails to conform to the applicable emissions standards of the EPA as judged by an EPA approved emissions test; and
4. The failure to conform results or will result in the owner of the car having to bear a penalty or other sanction (including the denial of the right to use the car) under local state or federal law if the non-conformity is not remedied within a specified period of time.

Then, in accordance with the provisions of section 207(b) of the Clean Air Act, MINI USA, a Division of BMW North America, LLC warrants that if the car is eligible for coverage under this warranty, any non-conformities in the car, which cause it to fail an EPA-approved emissions test will, without charge for parts or labor (including diagnosis), be adjusted, repaired, or replaced, at the option of MINI USA, a Division of BMW North America, LLC to proper specifications, in order to make the car comply with applicable emissions standards. The decision to adjust, repair or replace parts is solely the prerogative of MINI USA and must reasonably be expected to correct the failure of the warranted part.

Coverage begins on the date of first retail sale, or the date the vehicle is first placed into service as a sales demonstrator, Aftersales Mobility

Program (AMP) Vehicle or company vehicle, whichever is earlier. This limited warranty continues for a period of 2 years or 24,000 miles, whichever occurs first, except for specific emissions control components (as listed on page 23), for which the warranty period is 8 years or 80,000 miles, whichever occurs first.

This limited warranty is made subject to the terms and conditions that apply to the Emission Control System Warranty and the MINI New Passenger Car Limited Warranty.

No claim under this warranty will be denied on the basis of use of a properly installed EPA certified emission part for maintenance and repair.

A vehicle manufacturer may deny an emission performance warranty claim on the basis of an uncertified replacement part used in the maintenance or repair of a vehicle only if the vehicle manufacturer presents evidence that the uncertified replacement part is either defective in materials or workmanship or not equivalent from an emission standpoint to the original equipment part.

Maintenance, replacement, or repair of emission control devices and systems may be performed by any automotive repair establishment or individual using any certified part.

Immediately after the car has failed an EPA approved emission short test, your claim can be made at any authorized MINI dealer. The MINI dealer will honor or deny your claim within the time period specified by local or state laws (not to exceed 30 days), to avoid further penalties or sanctions. If the claim is denied, the MINI dealer will notify you in writing of the reason(s). The authorized MINI dealer is required by law to honor the claim if notice of denial is not received by the owner within the specified time period.

You may obtain further information concerning the emission warranties, or report violations of warranty terms, by contacting the Director, Field Operations and Support Division (6406J), Environmental Protection Agency, 401 M Street, Washington, DC 20460 (Attn: Warranty Claim).

Complaint

The following systems are covered by the Federal Emission Performance Warranty for a period of 2 years or 24,000 miles, whichever occurs first. The specific systems may vary according to model, therefore, all of the systems listed may not be used on your vehicle. For assistance in determining which systems and specific components within these systems apply to your vehicle, please contact your MINI dealer.

AIR INDUCTION SYSTEM

FUEL METERING SYSTEM

IGNITION SYSTEM

POSITIVE CRANKCASE VENTILATION
SYSTEM (PCV)

FUEL EVAPORATIVE CONTROL SYSTEM

EXHAUST SYSTEM

ENGINE EMISSION CONTROL SYSTEM

SENSORS/DEVICES

ONBOARD DIAGNOSTIC SYSTEM (OBD)

RELATED PARTS ASSOCIATED WITH THE
ABOVE SYSTEMS

The following components and/or systems are/is covered under the Federal Emission Performance Warranty for a period of 8 years or 80,000 miles, whichever occurs first.

CATALYTIC CONVERTER

ENGINE CONTROL MODULE (INCLUDING
ONBOARD DIAGNOSTIC SYSTEM)

For assistance in determining coverage of the specific components of the Onboard diagnostic system, please contact your MINI dealer.

Complaint

**California Emission Control
Warranty Statement*
Your Warranty Rights and
Obligations**

The California Air Resources Board and MINI USA, a Division of BMW North America, LLC are pleased to explain the emission control system warranty on your 2014 vehicle. In California, new motor vehicles must be designed, built, and equipped to meet the State's stringent anti-smog standards. MINI USA, a Division of BMW North America, LLC must warrant the emission control system on your vehicle for the periods of time listed below provided there has been no abuse, neglect, or improper maintenance to your vehicle.

Your emission control system may include parts such as the fuel injection system, the ignition system, catalytic converter, and engine computer. Also included may be hoses, belts, connectors, and other emission-related assemblies.

Where a warrantable condition exists, MINI USA will repair your vehicle at no cost to you including diagnosis, parts and labor.

Manufacturer's Warranty Coverage:

- For 3 years or 50,000 miles, whichever occurs first:
 1. If your vehicle fails a Smog Check inspection, all necessary repairs and adjustments will be made by MINI USA to ensure that your vehicle passes the inspection. This is your emission control system PERFORMANCE WARRANTY.
 2. If any emission-related part on your vehicle is defective, the part will be repaired or replaced by MINI USA. This is your short-term emission control system DEFECTS WARRANTY.
- For 8 years or 100,000 miles, whichever occurs first:

If an emission-related part, specially noted on page 28 as having coverage for 8 years or 100,000 miles is defective, the part will be

repaired or replaced by MINI USA. This is your long-term emission control system DEFECTS WARRANTY.

Owner's Warranty Responsibilities:

- As the vehicle owner, you are responsible for the performance of the required maintenance listed in your Owner's Manual. MINI USA recommends that you retain all receipts covering maintenance on your vehicle, but MINI USA cannot deny warranty solely for the lack of receipts or for your failure to ensure the performance of all scheduled maintenance.
- You are responsible for presenting your vehicle to an authorized MINI dealer as soon as a problem exists. The warranty repairs should be completed in a reasonable amount of time, not to exceed 30 days.
- As the vehicle owner, you should also be aware that MINI USA may deny your warranty coverage if your vehicle or part has failed due to abuse, neglect, improper maintenance, or unapproved modifications.

If you have any questions regarding your warranty rights and responsibilities, you should contact:

MINI USA, a Division of BMW of North America, LLC
Customer Relations and Services Department
P.O. Box 1227
Westwood, NJ 07675-1227
Telephone: 1 866 ASK-MINI (275-6464)
Email: MINI.assistance@askMINIUSA.com
Website: www.miniusa.com

or the

California Air Resources Board
9528 Telstar Avenue
El Monte, CA 91731

*The California Emissions Control System Limited Warranty applies to all 2014 U.S.-specification MINI vehicles registered in California, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, Oregon, Pennsylvania, Rhode Island, Vermont or Washington.

Complaint

California Emission Control System Limited Warranty*

This limited warranty applies to California certified vehicles distributed by MINI USA, a Division of BMW North America, LLC registered and operated primarily in California.

MINI USA, a Division of BMW North America, LLC warrants to the original purchaser and each subsequent owner that the vehicle is:

- a. designed, built and equipped so as to conform with the applicable California Air Resources Board emission standards.
- b. free from defects in materials and workmanship which cause any part that can affect emissions to fail to conform with applicable requirements or to fail a California Smog Check test or EPA approved short test for a period of 3 years or 50,000 miles, whichever occurs first.
- c. free from defects in materials and workmanship in emission related parts, which are contained in the California Emission Control System Limited Warranty Parts List on page 28, for a period of 8 years or 100,000 miles, whichever occurs first.

Coverage begins on the date of first retail sale or the date the vehicle is first placed into service as a sales demonstrator, Aftersales Mobility Program (AMP) Vehicle or company vehicle, whichever is earlier.

To obtain service under this warranty, the vehicle must be brought, upon failure of a Smog Check test or upon discovery of the defect, to the workshop of any authorized MINI dealer, during normal business hours. The MINI dealer will honor or deny your claim within 30 days. If the claim is denied, the MINI dealer will notify you in writing of the reason(s). The MINI dealer is required by law to honor the claim if notice is not given to the owner within 30 days.

The MINI dealer will, without charge for parts or labor (including diagnosis), either adjust, repair or replace the defective part and other parts affected by the failure of the warranted part, if any. If your vehicle failed the California Smog Check test or an EPA approved short test, then MINI USA will repair your vehicle so that it will pass this test. Items that require scheduled replacement are warranted up to the replacement interval specified in the Service section of this Statement. MINI USA may repair a part in lieu of replacing it when performing warranty repairs. Parts for which replacements are made become the property of MINI USA. After 3 years or 50,000 miles, and in accordance with paragraph (c) above, such repairs are limited to the repair or replacement of those parts identified in the California Emission Control System Limited Warranty List.

If your California registered vehicle is between 7 and 8 years old and has been driven less than 80,000 miles, then your vehicle is eligible for additional warranty coverage under the Federal Emissions Warranty.

A repair performed as the result of a Smog Check test failure due to a defect in a part, which is warranted for 8 years or 100,000 miles, is covered.

In all cases, a reasonable time, not to exceed 30 days, must be allowed for a warranty repair to be completed, after the car is received by the MINI dealer.

It is the owner's responsibility to have all required maintenance services performed (at the owner's expense), as prescribed in the maintenance schedule for the MINI Emission Control System. Service intervals are computed by the Condition Based Service system and displayed on the instrument panel.

*The California Emissions Control System Limited Warranty applies to all 2014 U.S.-specification MINI vehicles registered in California, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Jersey, Oregon, Pennsylvania, Rhode Island, Vermont or Washington.

Complaint

However, MINI USA will not deny your warranty repair claims solely because you do not have maintenance records or you did not perform the required maintenance unless MINI USA demonstrates that such lack of required maintenance is a direct cause of the emission control system failure. The instructions for required maintenance and use can be found in the Owner's Manual and in the Service section of this Statement.

It is strongly recommended that any replacement parts used for maintenance, repair or replacement of emission control systems be genuine MINI Service Parts or MINI Authorized Remanufactured Parts. Without invalidating this warranty, the owner may elect to have maintenance, repair or replacement of the emission control systems performed by any automotive repair establishment, or elect to use parts other than MINI Authorized Remanufactured or genuine MINI Service Parts. However, the cost of such service or parts will not be covered under this warranty, except in emergency situations. In an emergency situation, where an authorized MINI dealer is not reasonably available or a warranty replacement part is not available within 30 days, repairs may be performed at any available service establishment or by any individual using any replacement part.

A repair not completed within 30 days constitutes an emergency. MINI USA, a Division of BMW North America, LLC will reimburse the owner for such emergency repairs (including labor, parts and diagnosis not to exceed MINI suggested retail price for all warranted parts replaced and labor charges based on the manufacturer's recommended time allowance for the warranty repair and the geographically appropriate hourly labor rate) that are covered under this warranty. Replaced parts and paid invoices must be presented to an authorized MINI dealer as a condition of reimbursement for emergency repairs not performed by an authorized MINI dealer.

The use of replacement parts, which are not of equivalent quality, may impair the effectiveness of emission control systems. If other than genuine MINI Service Parts or Authorized Remanufactured Parts are used for maintenance, repair or replacement of components affecting emission control, the owner should obtain assurances that such parts are warranted by their manufacturer to be equivalent to genuine MINI parts in performance and durability. MINI USA, a Division of BMW North America, LLC assumes no liability under this warranty with respect to parts other than genuine MINI parts.

However, the use of non-genuine MINI replacement parts does not invalidate the warranty on other components, unless non-genuine MINI parts cause damage to warranted parts.

What is not covered

This limited warranty does not cover malfunctions caused by any of the following: accident, flood, misuse, modification, alteration, tampering, disconnection, improper or inadequate maintenance, except if performed by an authorized MINI dealer doing warranty repair work, use of leaded fuel or fuel other than as specified in the Owner's Manual.

The replacement of maintenance parts, such as spark plugs, filters and similar items used in required maintenance services or the repair or replacement of maintenance parts beyond the first replacement interval.

Any car on which the odometer has been replaced or altered and the true mileage cannot be determined.

The car, if the Vehicle Identification Number (VIN) is altered or cannot be determined, or if the car has been declared a total loss or sold for salvage purposes.

Complaint

General

The warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

THE DURATION OF ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, IS LIMITED TO THE DURATION OF THE EXPRESS WARRANTIES HEREIN.

MINI USA, A DIVISION OF BMW NORTH AMERICA, LLC HEREBY EXCLUDES INCIDENTAL AND CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF TIME, INCONVENIENCE, OR LOSS OF USE OF THE VEHICLE, FOR ANY BREACH OF ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY, APPLICABLE TO THIS PRODUCT.

For assistance in determining which parts are covered by this warranty, please contact your authorized MINI dealer or MINI USA, a Division of BMW North America, LLC Customer Relations and Services Department at 1-866-ASK-MINI (275-6464). You may obtain further information concerning the emissions warranty or report violations of warranty terms, by contacting Air Resources Board (ARB), Mobile Source Division, 9528 Telstar Avenue, El Monte, CA 91731. Please include the title of the MINI service department head and telephone number.

Complaint

California Emission Control System Limited Warranty Parts List

The following components are covered for defects by the California Emission Control System Limited Warranty for a period of 8 years or 100,000 miles, whichever comes first.

Models:	MINI Cooper Clubman Cooper Convertible Cooper Countryman Cooper Paceman Cooper Coupe Cooper Roadster Cooper Clubvan	MINI Cooper S Clubman Cooper S Convertible Cooper S Countryman Cooper S Paceman Cooper S Coupe Cooper S Roadster Cooper S Countryman ALL4 Cooper S Paceman ALL4	MINI JCW Clubman JCW Convertible JCW Countryman JCW Paceman JCW Coupe JCW Roadster
Coverage:	8 Years 100,000 miles	8 Years 100,000 miles	8 Years 100,000 miles
Catalytic Converter (WU-TWC)		*	*
Catalytic Converter with Front Muffler	*	*	
Engine Control Module	*	*	*
Exhaust Manifold		*	*
Exhaust Manifold Gasket	*	*	*
Exhaust Manifold-to-Turbocharger Gasket		*	*
Exhaust Manifold with Catalyst	*		
Fuel Rail		*	*
Fuel Tank	*	*	*
High Pressure Fuel Pump		*	*
Intake Manifold	*	*	*
Torque Converter	*	*	*
Transmission Control Unit	*	*	*
Transmission Fluid Temperature Sensor	*	*	*
Transmission Speed Sensor	*	*	*
Turbocharger		*	*
Vacuum Pump		*	*
VANOS (VVT) Adjustment Unit	*	*	*

Complaint

Notice

The "National Traffic and Motor Vehicle Safety Act of 1966" requires manufacturers to be in a position to contact vehicle owners when a correction of a safety-related defect or noncompliance issue with an applicable federal motor vehicle safety standard becomes necessary.

Please see the Correcting, Updating or Changing Vehicle-Related or Ownership Information section.

Correcting, Updating or Changing Vehicle-Related or Ownership Information

To enable MINI to contact you with important vehicle product and safety updates, including vehicles with expired warranty coverage, please update your vehicle-related or ownership information by either:

- ▷ Logging on at MINIUSA.com/OL, to access your MINI OWNERS' LOUNGE account (create a new account as necessary), then click UPDATE PROFILE at the top of the page
- ▷ Contacting the MINI Customer Relations and Services Department at 1 866 275-6464
- ▷ Complete and mail the Information Change Card, located at the back of this booklet

Please have your vehicle's 17-character Vehicle Identification Number (VIN) available.

Tire Warranty Statement

Original equipment tires on new MINI vehicles are warranted by their respective manufacturer as detailed in the applicable tire manufacturer's warranty statement.

The CD ROM MINI provides in the vehicle's documents portfolio contains the warranty statements for the following original equipment tire manufacturers (as applicable to your vehicle):

- ▷ Bridgestone/Firestone
- ▷ Continental
- ▷ Goodyear/Dunlop
- ▷ Hankook
- ▷ Michelin
- ▷ Pirelli

However, we also recommend either contacting or visiting the specific tire manufacturer's website to ensure that you have the most current warranty information that applies to your tires.

Should you have difficulty in obtaining the applicable warranty service from a tire manufacturer, your authorized MINI dealer will assist you in resolving the situation.

Instructions for proper tire care and maintenance are contained in the Wheels and Tires section of your vehicle's Owner's Manual.

Complaint

Notes:

Complaint

2014 MINI	
SERVICE & WARRANTY INFORMATION	
	
M0200094	
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Decision and Order

DECISION AND ORDER

The Federal Trade Commission, having initiated an investigation of certain acts and practices of the Respondent named in the caption hereof, and Respondent having been furnished thereafter with a copy of a draft complaint that the Bureau of Consumer Protection proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with a violation of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 45 *et seq.*; and

Respondent, its attorney, and counsel for the Commission having thereafter executed an Agreement Containing Consent Order (“Consent Agreement”), which includes: a statement by Respondent that it neither admits nor denies any of the allegations in the draft complaint, except as specifically stated in the Consent Agreement, and, only for purposes of this action, admits the facts necessary to establish jurisdiction, as well as waivers and other provisions as required by the Commission’s Rules; and

The Commission having thereafter considered the matter and having determined that it has reason to believe that Respondent has violated the FTC Act, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of public comments, and having duly considered the comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R. § 2.34, now in further conformity with the procedure prescribed in Commission Rule 2.34, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent BMW of North America, LLC is a Delaware limited liability company with its principal place of business at 300 Chestnut Ridge Road, Woodcliff Lake, New Jersey 07677. Respondent uses, among others, the trade names MINI USA and the MINI Division of BMW NA.

Decision and Order

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of Respondent, and the proceeding is in the public interest.

ORDER**DEFINITIONS**

For purposes of this order, the following definitions shall apply:

- A. Unless otherwise specified, **“Respondent”** shall mean BMW of North America, LLC, its successors and assigns and its officers, agents, representatives, and employees.
- B. **“MINI Division”** means the MINI Division of BMW of North America, LLC, its successors and assigns and officers, agents, representatives, and employees with responsibilities for the operations of the MINI Division of BMW of North America, LLC or its successors and assigns.
- C. **“MINI dealer”** or **“MINI center”** means an authorized dealer of MINI passenger cars operating pursuant to a valid Dealer Agreement for MINI Passenger Cars between such dealer and respondent.
- D. **“Commerce”** shall mean as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44.
- E. **“Competent and reliable scientific evidence”** means tests, analyses, research, or studies that have been conducted and evaluated in an objective manner by qualified persons, using procedures generally accepted in the profession to yield accurate and reliable results.
- F. **“Implied warranty”** means an implied warranty arising under State law (as modified by 15 U.S.C. §§ 2308 and 2304(a)) in connection with the sale by a supplier of a consumer product.

Decision and Order

- G. **“Warrantor”** means any supplier or other person who gives or offers to give a written warranty or who is or may be obligated under an implied warranty.
- H. **“Written warranty”** means
1. any written affirmation of fact or written promise made in connection with the sale of a consumer product by a supplier to a buyer which relates to the nature of the material or workmanship and affirms or promises that such material or workmanship is defect free or will meet a specified level of performance over a specified period of time, or
 2. any undertaking in writing in connection with the sale by a supplier of a consumer product to refund, repair, replace, or take other remedial action with respect to such product in the event that such product fails to meet the specifications set forth in the undertaking,

which written affirmation, promise, or undertaking becomes part of the basis of the bargain between a supplier and a buyer for purposes other than resale of such product.

I.

IT IS ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any MINI Division good or service shall not:

- A. condition any written or implied warranty of any product sold on the consumer's using, in connection with such product, any article or service (other than an article or service provided without charge under the terms of the warranty) which is identified by brand, trade, or corporate name unless the Commission has, prior to such conditioning, granted a waiver of this requirement pursuant to 15 U.S.C. 2302(c); or

Decision and Order

- B. violate any provision of the Magnuson-Moss Warranty Act (15 U.S.C. §§ 2301- 2312), or the rules promulgated by the Commission under the Magnuson-Moss Warranty Act (16 C.F.R. §§ 701, 702, and 703), copies of which are attached as Attachment A.

II.

IT IS FURTHER ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, promotion, offering for sale, sale, or distribution of any MINI Division good or service shall not:

- A. represent that the owner, in order for his/her vehicle to operate safely or maintain its value, must have maintenance work performed by a MINI dealer or MINI center, unless the representation, at the time it is made, has been substantiated by Respondent with competent and reliable scientific evidence; or,
- B. misrepresent, expressly or by implication, any fact material to consumers concerning any warranty or maintenance requirements of any good or service.

III.

IT IS FURTHER ORDERED that Respondent, within 60 days of entry of this Order, must provide the notice appended to this Order as Attachment B by first class mail to MINI owners who still have coverage under the MINI New Passenger Car Limited Warranty and whose Service and Warranty Information Statement contains any of the following, or similar, statements:

- A. “Have maintenance and repair work performed by your MINI dealer. Make sure that the maintenance work is stamped in this Service and Warranty Information Statement. These entries are the evidence of regular maintenance of your vehicle and are a requirement for warranty claims;”
- B. While [the owner] may elect to use non-genuine MINI parts for maintenance or repair services, [MINI USA

Decision and Order

or the MINI Division] is not obligated to pay for repairs that include non-genuine MINI parts”

Provided further that Respondent shall not include any advertising, marketing, or other promotional information in conjunction with providing the information specified above. Moreover, Respondent will employ means to verify the address of any owner whose notice is returned as undeliverable and will attempt to resend the information to the owner by first class mail within 60 days of having the original notice returned as undeliverable. Furthermore, Respondent will post a copy of the notice contained in Attachment B on the miniusa.com website No Cost Maintenance & Warranty page for one year after entry of this Order.

On the 120th, 210th, and 360th days following entry of this Order, Respondent shall provide the Commission the following: (1) a copy of the content of the notice (which shall be in the form of the notice appended to this Order as Attachment B); (2) the number of notices sent by first class mail; (3) the number of the notices returned as undeliverable; (4) a detailed description of the process Respondent used to locate owners whose notices were undeliverable; (5) the number of notices resent; and (6) the number of resent notices returned as undeliverable.

IV.

IT IS FURTHER ORDERED that Respondent and its successors and assigns, shall, for five (5) years after the date of issuance of this Order, maintain and upon request make available to the Federal Trade Commission business records demonstrating Respondent’s compliance with the terms and provisions of this Order, including but not limited to:

- A. A copy of each Owner’s Manual and Service and Warranty Information Statement for each model of passenger car or light truck sold by Respondent after entry of this Order; and
- B. Records of all consumer complaints or other consumer correspondence concerning the subject matter of this Order.

Decision and Order

V.

IT IS FURTHER ORDERED that Respondent and its successors and assigns, shall deliver a copy of this order to all current and, for the next five (5) years, future principals, officers, directors, managers, and to all current and, for the next five (5) years, future employees, agents, and representatives having responsibilities with respect to the MINI Division and the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order, with any electronic signatures complying with the requirements of the E-Sign Act, 15 U.S.C. § 7001 *et seq.*

Respondent shall deliver this order to current personnel with responsibilities with respect to the MINI Division and the subject matter of this order within thirty (30) days after the date of service of this order, and to future personnel with responsibilities with respect to the MINI Division and the subject matter of this order within thirty (30) days after the person assumes such position or responsibilities. For any business entity resulting from any change in structure set forth in Part VI, delivery shall be at least ten (10) days prior to the change in structure.

VI.

IT IS FURTHER ORDERED that Respondent and its successors and assigns shall notify the Commission at least thirty (30) days prior to a divestiture of the MINI Division or any change in the limited liability company that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor company; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the company name or address. *Provided, however,* that, with respect to any proposed change in the company about which Respondent learns less than thirty (30) days prior to the date such action is to take place, Respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be emailed to Debrief@ftc.gov or sent by overnight courier (not the U.S. Postal Service) to: Associate Director for

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Enforcement, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW, Washington, D.C. 20580. The subject line must begin: In re BMW of North America, LLC.

VII.

IT IS FURTHER ORDERED that Respondent within sixty (60) days after the date of service of this order, shall file with the Commission a true and accurate report, in writing, setting forth in detail the manner and form of its compliance with this order. Within ten (10) days of receipt of written notice from a representative of the Commission, Respondent shall submit additional true and accurate written reports.

VIII.

This order will terminate on October 21, 2035, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; *provided, however*, that the filing of such a complaint will not affect the duration of:

- A. Any Part in this order that terminates in less than twenty (20) years;
- B. This order's application to any Respondent that is not named as a defendant in such complaint; and
- C. This order if such complaint is filed after the order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the Respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as though the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

Analysis to Aid Public Comment

By the Commission.

ANALYSIS OF CONSENT ORDER TO AID PUBLIC COMMENT

The Federal Trade Commission (“FTC” or “Commission”) has accepted, subject to final approval, a consent agreement applicable to BMW of North America, LLC (“respondent”).

The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and comments received, and will decide whether it should withdraw from the agreement and take appropriate action or make final the agreement’s proposed order.

The Respondent’s MINI Division provides purchasers of new MINI passenger cars a Service and Warranty Information Statement (“Warranty Statement”). According to the FTC complaint, language in the Warranty Statement violates the Magnuson-Moss Warranty Act (“Warranty Act”), 15 U.S.C § 2302(c), by conditioning warranty coverage on the consumer’s use of genuine MINI parts and MINI dealers to perform maintenance and repair work.

The FTC enforces the Warranty Act, which regulates consumer warranties and the procedures used to resolve warranty disputes. The broad purposes of the Warranty Act are (1) to improve the adequacy of warranty information available to consumers, and thereby facilitate consumer choice; (2) to prevent deception; and (3) to improve competition in the marketing of consumer products. Among other things, the Warranty Act prohibits a warrantor from conditioning a consumer product’s warranty on the consumer’s use of an article or a service (other than an article or a service provided without charge) which is

Analysis to Aid Public Comment

identified by brand, trade, or corporate name. 15 U.S.C. § 2302(c) (“the anti-tying provision”).

According to the FTC complaint, in connection with the warranty for certain MINI models, respondent has required owners to have routine maintenance, such as oil changes, performed by MINI dealers and to use genuine MINI parts. The complaint alleges that this requirement appears in two places in the Warranty Statement.

First, in order to have a warranty claim approved, owners must demonstrate that they obtained regular maintenance of their vehicles by having a MINI dealer place a stamp in the warranty booklet. *See* Complaint at ¶ 12. Second, the Warranty Statement states that it “is not obligated to pay for repairs that *include non-genuine MINI parts . . .*” (emphasis added). Although respondent provides, with the purchase of its vehicles, a free scheduled maintenance program, many of the models have a three-year maintenance program, but a four-year new vehicle warranty. Thus, according to the complaint, there is one year during the warranty period in which consumers must pay for their maintenance and repair work while being required to use MINI dealers and MINI parts to retain warranty coverage.

The proposed consent order contains provisions designed to prevent respondent from engaging in similar acts or practices in the future. Specifically, Part I prohibits respondent, in connection with the sale of any MINI Division good or service, from violating any provision of the Warranty Act, including, but not limited to, the anti-tying provision. Part II prohibits respondent, in connection with the sale of any MINI good or service, from misrepresenting that vehicles, in order to operate safely or maintain value, must have maintenance work performed by a MINI dealer. Part II also prohibits respondent from misrepresenting any material fact concerning any warranty or maintenance requirements of any MINI good or service.

Part III requires respondent to send notices to all affected consumers informing them that their warranties are not conditioned on repair work being performed by MINI dealers or on the use of genuine MINI parts.

Analysis to Aid Public Comment

Parts IV through VIII of the proposed order are reporting and compliance provisions. Part IV requires respondent to maintain, and make available to the Commission upon written request, copies of Owner's Manuals and Warranty Statements for each motor vehicle sold by respondent. Part V requires dissemination of the order, now and in the future, to persons with responsibilities relating to the MINI Division and the subject matter of the order. Part VI ensures notification to the FTC of changes in corporate status. Part VII mandates that respondent submit an initial compliance report to the FTC, and make subsequent reports available to the FTC, upon request. Part VIII is a provision "sunsetting" the order after twenty (20) years, within certain exceptions.

The purpose of this analysis is to facilitate public comment on the proposed order. It is not intended to constitute an official interpretation of the proposed order or to modify its terms in any way.

Complaint

IN THE MATTER OF

NICE-PAK PRODUCTS, INC.

D/B/A

NICE-PAKCONSENT ORDER, ETC. IN REGARD TO ALLEGED VIOLATION OF
SECTION 5 OF THE FEDERAL TRADE COMMISSION ACT.*Docket C-4556; File No. 132 3272**Complaint, October 13, 2015 – Decision, October 30, 2015*

The consent order addresses Nice-Pak Products, Inc. Nice-Pak Products, Inc. is a manufacturer of “flushable” moist toilet tissue made from non-elemental chlorine bleached wood pulp, bicomponent fibers and EP907 repulpable binder. It advertised the flushable moist toilet tissue as being safe for sewer and septic systems, and breaking apart shortly after flushing. The Commission’s complaint alleges that Nice-Pak did not have adequate substantiation for the claims made about their product’s effectiveness, because its substantiation did not accurately reflect the real-world conditions that their product encounters. The complaint further alleges that Nice-Pak provided retailers, such as Costco, CVS, Target, and BJ’s, that sold the Nice-Pak flushable moist toilet tissue under their private labels with the inadequate substantiation and the retailers then repeated the unsubstantiated claims. Nice-Pak has benefited a great deal from their misinterpretation while consumers have continued to suffer from backed up drains in their homes. The proposed order prohibits Nice-Pak from making claims about any moist toilet tissue unless the company has competent and reliable evidence to support them.

Participants

For the *Commission*: Laura Fremont and Sylvia Kundig.

For the *Respondent*: Trenton H. Norris, Arnold & Porter.

COMPLAINT

The Federal Trade Commission, having reason to believe that Nice-Pak Products, Inc., a corporation (“Respondent”), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent Nice-Pak Products, Inc. (“Nice-Pak”), also doing business as Nice-Pak, is a New York corporation with its