

CARDHOLDER AGREEMENT

RETAIL INSTALMENT CREDIT AGREEMENT

1. YOUR BMW VISA® CARD AGREEMENT: This is the Cardholder Agreement (the “**Agreement**”) that establishes the terms of your Cardholder Account (“**Account**”) with BMW Bank of North America, P.O. Box 9210, Old Bethpage, NY 11804. Please read it carefully and keep it for your records. The application or pre-approved acceptance you signed or otherwise submitted (including the accompanying federal and state notices), your Card, the Card Carrier we send with your Card, the Summary of Terms we provide on or with your Card Carrier and your signature (including any digital or electronic signature) on the application or pre-approved acceptance, your Card, and any sales slip or other evidence of indebtedness are part of and are incorporated into this Agreement. Any use of your Card or Account constitutes your acceptance of the terms and conditions of this Agreement. This Agreement begins on the earlier of (a) the date you sign or otherwise submit an application or pre-approved acceptance that is approved by us or (b) the first date that you or someone authorized by you uses the Account in a transaction that we approve (in NY, the first date that you or someone authorized by you signs a sales slip or memorandum or the first date that another document is issued to you or someone authorized by you as evidence of a transaction on your Account that we approve).

2. CERTAIN DEFINITIONS: In this Agreement, the words “you” and “your” refer to each person (jointly and severally if more than one) who has applied for the Account and any other person who has agreed to be responsible for the Account. The words “we”, “us” and “our” refer to BMW Bank of North America, its agents, successors or assigns. “Card” refers to each Visa Card that is issued by us for your Account. The term “Check” refers to a convenience check, a written Credit Device that we may issue to you. The term “Credit Device” refers to a Check, payee-designated check, draft, order, or other instrument or transaction that accesses the Account, other than a Card. Any Card or Credit Device must be destroyed or returned to us immediately upon our request.

3. USING YOUR ACCOUNT: You may use your Card or Account to purchase or lease goods or services or pay amounts you owe (collectively, “Purchases”) wherever the Card is honored. From time to time we may offer you the opportunity to use your Account or a Credit Device to pay amounts you owe under accounts with other creditors (“Balance Transfers”). You may also use your Card or a Check to obtain cash loans (“Cash Advances”) from any financial institution that accepts the Card.

You may obtain a Cash Advance by writing a Check. Checks will not be subject to any stop payment order and will not be returned to you. Each Check may be used only by the person(s) whose name(s) is/are printed on it. Each Check must be completed and signed by you (or either of you) in the same manner as a regular personal check. You may not use any Check we issue to you to pay any amount you owe under your Cardholder Agreement or under any other credit agreement or account you may have with us. In addition to Check transactions, the following transactions will be treated as Cash Advances:

- obtaining cash from participating Automated Teller Machines (“**ATM**”);
- obtaining cash from participating financial institutions nationwide that have agreed with Visa to allow you to use your Card to obtain cash;
- obtaining money orders, wire transfers, casino or gaming chips, travelers’ checks, foreign currency, vouchers redeemable for cash or similar items.

You may not use your Card or Account for any gambling or for any illegal purpose.

You may not use your Card or Account to make purchases of cryptocurrency or digital currency from or through vendors identified as digital currency marketplaces, exchanges, or brokers.

4. OBLIGATIONS ON YOUR ACCOUNT: You authorize us to pay and charge your Account for all Purchases, Balance Transfers and Cash Advances made or obtained by you or anyone you authorize or by anyone who has apparent authority to use your Card or Account. You promise to pay us for all of these Purchases, Balance Transfers and Cash advances, plus any interest assessed on your Account and any other charges and fees you may owe under the terms of this Agreement. You will be obligated to pay authorized charges to your Account whether resulting from (a) actual use of your Card or a Credit Device, (b) mail order or telephone, internet or other electronic Purchases made without presenting the Card or (c) any other circumstance where you authorize a charge, or authorize someone else to make a charge, to your Account.

5. JOINT ACCOUNTS: If this is a joint Account, each of you has the right to use the Account as provided for in this Agreement and is individually responsible to pay the entire balance due. Either of you may give us notices required or make requests permitted under this Agreement. If each of you gives us notices or makes requests, and those notices or requests are conflicting, we may honor or refuse to honor either request at our option. We can do so without notice to any person(s). We will not be liable for honoring or refusing to honor any conflicting request. We may require that you pay the full amount owed without our first asking the other person(s) to pay.

6. CREDIT LIMIT: Your maximum amount of credit we will extend to you (“Credit Limit”) is initially shown on the Card Carrier containing your Card. We may designate that only a portion of your Credit Limit is available for Cash Advances (“Cash Advance Credit Limit”) and you agree not to exceed that limit. Therefore, since we may change any applicable Credit Limit from time to time, your latest Credit Limit(s) will appear on your Monthly Statement. You agree not to make a Purchase or obtain a Balance Transfer or a Cash Advance that would cause the unpaid balance of your Account (including interest, fees and other charges) to exceed any applicable Credit Limit. We may honor Purchases, Balance Transfers and Cash Advances in excess of any applicable Credit Limit at our sole discretion. If we do, this Agreement also applies to that excess and you agree to pay that excess immediately upon request. The fact that we may at any time honor a Purchase, Balance Transfer or Cash Advance in excess of the applicable Credit Limit does not obligate us to do so again.

Subject to any restrictions under applicable law, you agree that we may change or cancel any applicable Credit Limit at any time without affecting your obligation to pay all amounts owed under this Agreement. For security reasons, we may limit the number or dollar amount of transactions that may be accomplished with your Card, Account or any Credit Device, and we have the right to limit authorizations to complete such transactions if we consider it necessary to verify payments received.

7. MONTHLY STATEMENTS: We will send a statement at the end of each monthly billing cycle ("**Monthly Statement**") in which your Account has a debit or credit balance of more than \$1 or if interest has been imposed, or as required by applicable law. Among other things, your Monthly Statement will show your New Balance, any interest, any Credit Limit(s) and credit available, the minimum amount you must pay ("**Minimum Payment Due**") and the date when payment is due ("**Payment Due Date**").

Minimum Monthly Payment: If the New Balance shown on your monthly statement is less than \$20, your Minimum Monthly Payment due by the Payment Due Date) is your New Balance. Otherwise, the Minimum Monthly Payment for each billing cycle will be the greater of \$20 or the total of (1) 1% of the New Balance, plus (2) any Interest Charge, plus (3) any Overlimit Fee, plus (4) any Late Fee, plus (5) any amount past due, plus (6) if we so elect, any amount over your Credit Limit, including any Cash Advance exceeding your Cash Advance Credit Limit, at the time of billing. **You may pay more than the Minimum Payment Due and may at any time pay the full amount you owe us without incurring any additional charge.**

8. PAYMENT ON ACCOUNT: Except as otherwise provided in this Agreement or any promotional offer, you must pay at least the Minimum Payment Due each billing cycle that there is a balance on your Account. All payments must be made in U.S. dollars. Any payment made by check or other negotiable instrument must be drawn on a U.S. bank or a U.S. branch of a foreign bank.

If we receive a payment on your Account at the address shown on your Monthly Statement before 5:00 p.m. ET on any Processing Day or if you make a payment by telephone or internet your payment will be considered made on the date received. The term "Processing Day" refers to any Sunday through Friday, excluding federal and state banking holidays on which we are not open for business. Your payment will not be considered received by us if the payment is later dishonored. Payments made by mail received at a location other than the payment address shown on the Monthly Statement may be delayed by up to five Processing Days.

Payments posted to your Account may not immediately result in additional available credit. Subject to any restrictions of applicable law, we will apply your payments to the balances in your Account in whatever manner we determine. Generally, payment amounts that exceed the required Minimum Payment Due will be allocated to balances with higher Annual Percentage Rates ("**APR**") (including new transactions) before balances with lower APRs.

9. INTEREST: When your Account has a balance subject to interest (as described in Section 11 below), we will calculate interest by applying a daily periodic rate to that balance. If you owe interest in any billing cycle, the charge will be no less than the minimum interest charge stated in the Summary of Terms.

10. PERIODIC RATES: We will use one or more daily periodic rates to calculate how much interest you owe. Your periodic rates and corresponding APRs will vary. The daily periodic rate is a rate equal to the APR divided by the number of days in that year. Except as otherwise provided in a promotional offer, the rate for Purchases ("**Purchase Rate**"), the rate for Cash Advances ("**Cash Advance Rate**"), and the rate for Balance Transfers ("**Balance Transfer Rate**") will be the rates shown in the Summary of Terms. Please see your Summary of Terms for details, including the current periodic rates and corresponding APRs.

Penalty Rate - The periodic rates and corresponding APRs on all balances will increase to the "Penalty Rate" (as described in your Summary of Terms) if: (a) your required Minimum Payment Due is not credited to your Account within five (5) days of the Payment Due Date or (b) a payment on your Account is not honored by your bank or other financial institution. If the Penalty Rate is applied, it will apply to your Account until you have made the Minimum Payment Due by the Payment Due Date for six (6) consecutive months.

Variable Rate – Except as provided in a promotional offer, the periodic rates and corresponding APRs on your account will vary with the market based on the highest domestic bank "prime rate" as published in the "Money Rates" section of The Wall Street Journal (the "**Prime Rate**"). We determine your APRs for each billing cycle by adding the "Margins" described and shown in the Summary of Terms to the Prime Rate published two days prior to the billing cycle closing date. If the Prime Rate increases, the daily periodic rates and corresponding APRs may increase, and as a result, the interest, the Minimum Payment Due, and the number of payments required to repay all amounts owed on the Account also may increase. Any new periodic rate will apply to the existing balance of your Account to the extent permitted by applicable law.

11. WHEN INTEREST BEGINS TO ACCRUE: Except as provided below, interest on Purchases, Cash Advances and Balance Transfers will accrue from the date of the transaction (or, at our option, from the date they are posted to your Account).

Purchases – You will not have to pay interest on Purchases if you pay your New Balance in full by the Payment Due Date shown on your Monthly Statement, which shall not be less than 22 days after the close of the billing cycle.

Cash Advances and Balance Transfers – Unless otherwise disclosed in a promotional offer, there is no period in which credit extended may be paid without incurring interest on Cash Advances or Balance Transfers.

12. BALANCE SUBJECT TO INTEREST RATE: We will figure interest on your Account by applying the periodic rate applicable to the "daily balance" of your Balance Transfers, Cash Advances, and Purchases (if applicable) for each day in the billing cycle. To get the "daily balance", we take the beginning balance of your Balance Transfers, Cash Advances, and Purchases (if applicable) each day, add any new Purchases, Cash Advances, Balance Transfers, and/or applicable fees, and subtract any payments and/or credits. This gives us the "daily balance." This Agreement provides for the compounding of interest.

13. FEES:

Annual Fee — If applicable, you agree to pay us when billed each year (subject to applicable federal law) a non-refundable Annual Fee in the amount stated in the Summary of Terms. Your payment of this fee will not affect any of our rights under this Agreement, including our right to terminate your Account.

Transaction Fees — Unless otherwise disclosed in a promotional offer, we will charge a one-time transaction fee for each Balance Transfer and Cash Advance. The calculation of these fees is described in the Summary of Terms. The fee for a Balance Transfer will be added to your Balance Transfer balance. The fee for a Cash Advance will be added to your Cash Advance balance.

Penalty Fees — If we do not receive a payment from you in at least the amount of your Minimum Payment Due by the Payment Due Date shown on your Monthly Statement, we may charge you a Late Payment Fee (as described in your Summary of Terms). If your bank does not honor the payment

you give us, or we must return a payment because it is unsigned or otherwise irregular, we may charge you a Returned Payment Fee (as described in your Summary of Terms). The amount of the Late Payment or Return Payment Fee will be \$25 for the first occurrence and \$35 for any subsequent occurrence within six (6) billing cycles. No Penalty Fee will exceed the lesser of the amount stated in the Summary of Terms or the amount of the Minimum Payment Due when the payment was late or returned. We will charge only one Penalty Fee for any single event or transaction, even if it involves a late and returned payment in one cycle.

Administrative Fees — You may be charged administrative fees for photocopies of sales slips, duplicate copies of Monthly Statements, for the expedited mailing or replacement of your Card and for any EMV or “chip” card you request. These fees will be disclosed to you at the time of the request.

14. DEFAULT/COLLECTION COSTS: Subject to any restrictions of applicable law, your Account will be in default and we may demand immediate payment of the entire amount you owe us without giving you prior notice if: (a) in any month we do not receive your Minimum Payment Due by the Payment Due Date; (b) you otherwise fail to comply with this Agreement; (c) there is a filing for your bankruptcy; (d) you die or become incapacitated; or (e) we believe in good faith that the payment or performance of your obligations under this Agreement is impaired for any other reason. To the extent the state where you live permits the charging of such fees and costs, you agree to pay all collection expenses actually incurred by us in the collections of amounts you owe under this Agreement (including court costs and the fees of any collection agency to which we refer your Account) and, if we refer your Account after your default to an attorney who is not our regularly salaried employee, you agree to pay the reasonable fees of such attorney. We will not be obligated to honor any attempted use of your Account if default has occurred or we have determined to terminate your Account or limit your Account privileges (as discussed in Section 15 below). **WISCONSIN RESIDENTS:** We will not charge you attorneys’ fees, court costs, or other collection costs incurred as a result of your default.

15. TERMINATION: Subject to any restrictions of applicable law, we may terminate your privileges under this Agreement or limit your right to make Purchases, obtain Cash Advances or initiate Balance Transfers at any time without notice or liability. If we ask, you must destroy your Cards and any unused Credit Devices. You agree that you will not try to make a Purchase, obtain a Cash Advance or initiate a Balance Transfer after you have been notified that your privilege to use your Account has been terminated. You may terminate this Agreement at any time. If you do, you must destroy all Cards and Credit Devices previously issued on the Account. If you call us, we may require that termination of your Account (by you or us) will not affect your existing obligations under this Agreement or your liability for all amounts owed under the terms of this Agreement.

16. NOTICES: We will send Monthly Statements and any other notices to you at the address shown in our filed. If this is a joint Account, we can send Monthly Statements and notices to either of you, unless otherwise required by applicable law. You promise to inform us promptly in writing of any change in your address. We may, at our discretion, accept address corrections from the United States Postal Service.

17. INTERNATIONAL TRANSACTIONS - FEE AND FOREIGN CURRENCY CONVERSION RATE: You may use your Card and your Account for Purchases and Cash Advances that qualify as “International Transactions” under this Agreement. For purposes of this Agreement, “International Transactions” include (a) Purchases and Cash Advances made in currencies other than U.S. Dollars from participating Visa merchants and (b) Purchases and Cash Advances made in U.S. Dollars from participating Visa merchants located outside the U.S. For purposes of this Agreement, Purchases and Cash Advances made in U.S. Dollars from participating Visa merchants located in a U.S. territory, U.S. military base, U.S. embassy, or U.S. consulate are not deemed to be International Transactions.

Each time you use your Card or Account to make an International Transaction, you agree to pay the International Transaction Fee stated in your Summary of Terms, whether the transaction is originally made in U.S. Dollars or converted to U.S. Dollars from a foreign currency.

For International Transactions converted to U.S. Dollars from a foreign currency, you agree to pay the converted amount plus the International Transaction Fee stated in your Summary of Terms. Conversion to U.S. Dollars may occur on a date other than the date of the transaction; therefore, the currency conversion rate may be different from the rate in effect at the time of the transaction. Visa®, and not us, determines the currency conversion rate that is used.

Transactions made in currencies other than U.S. Dollars will be converted to U.S. Dollars under the regulations established by Visa Inc. in effect at the time the transaction is processed by Visa®. Current Visa® regulations in effect provide that the currency conversion rate will be either a rate selected by Visa® from the range of rates available in wholesale currency markets, which rate may vary from the rate Visa itself receives, or the government-mandated rate, as applicable, in each instance effective one day before the applicable Central Processing Date.

18. SKIP/PROMOTIONAL FEATURES: From time to time, we may let you skip or reduce one or more Minimum Payments Due during a year and/or we may temporarily reduce or eliminate interest on all or a portion of the outstanding balances on your Account or offer you other special terms. If we do, we will advise you of the scope and duration of the applicable skip or promotional feature. We will end the skip or promotional feature and apply your regular rates and terms to the extent permitted by applicable law.

19. CHANGES TO THIS AGREEMENT: Subject to applicable law, we can change the terms of, add new terms to, or delete terms from this Agreement at any time. We will give you notice of the change, addition or deletion as required by applicable law. As permitted by applicable law, any change, addition, or deletion to this Agreement will become effective at the time stated in our notice. Unless we state otherwise, the change, addition, or deletion will apply to all outstanding balances on your Account as well as to new transactions to the extent permitted by applicable law.

20. CREDIT REPORTING; INACCURATE INFORMATION: You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations. If you believe that we have information about you that is inaccurate or that we have reported or may report to a credit reporting agency information about you that is inaccurate, please notify us on the specific information that you believe is inaccurate by writing to us at BMW Bank of North America, P.O. Box 9210, Old Bethpage, NY 11804.

21. TELEPHONE MONITORING AND RECORDING: In the regular course of our business we may monitor and record phone conversations made or received by us. You agree that we will have such right with respect to all phone conversations between you and us, whether initiated by you or us. Subject to any restrictions of applicable law, you agree that we may contact you for any reason regarding your Account, including collection of payments, using (i) any contact information, including, but not limited to, an email address or cell phone number you provide at the time of application or in the future and (ii) an automated telephone dialing system and/or artificial or prerecorded voice message, even if you are charged for the call under your phone plan, unless you call us at 888-269-2273 to limit this consent.

22. REFUSAL TO HONOR CARD: We are not responsible for refusals to honor your Card or Credit Devices. And, except as otherwise required by applicable law or regulation, we will not be responsible for merchandise or services purchased or leased through use of your Account.

23. IRREGULAR PAYMENTS: We can accept late payments, partial payments, checks and money orders marked "Paid in Full" or language having the same effect without losing any of our rights under this Agreement. **No payment shall operate as an accord and satisfaction without our prior written approval. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount, must be mailed or delivered to BMW Bank of North America, 2735 E. Parleys Way, Suite 301, Salt Lake City, UT 84109-1666.**

24. LIABILITY FOR UNAUTHORIZED USE OF YOUR CARD OR ACCOUNT: If you notice the loss or theft of your Card or a possible unauthorized use of your Card or Account, you should write to us immediately at BMW Card Services, P.O. Box 9210, Old Bethpage, NY 11804 or call us (toll free) at 888 BMW CARD or (collect) at 410 581 9994. You will not be liable for any such unauthorized use that occurs after you notify us. You may, however, be liable for such unauthorized use that occurs before you notify us. In any case, your liability for such unauthorized use will not exceed \$50.

25. ASSIGNMENT: We may at any time assign your Account, any sums due on your Account, this Agreement or our rights or obligations under this Agreement. The person(s) to whom we make any such assignment shall be entitled to all of our rights under this Agreement, to the extent assigned. You may not assign your Account or any of your rights or obligations under this Agreement.

26. NO WAIVER; ENTIRE AGREEMENT: Our failure to exercise any of our rights under this Agreement, our delay in enforcing any of our rights, or our waiver of our rights on any occasion shall not constitute a waiver of such rights on any other occasion. This Agreement, together with all documents incorporated herein, is the entire agreement between you and us relating to your Account. This Agreement cannot be changed except as explained in this Agreement.

27. GOVERNING LAW: THIS AGREEMENT AND YOUR ACCOUNT, AND ANY CLAIM, DISPUTE OR CONTROVERSY ARISING FROM OR RELATING TO THIS AGREEMENT OR YOUR ACCOUNT, WHETHER BASED ON CONTRACT, TORT, FRAUD AND OTHER INTENTIONAL TORTS, STATUTE, REGULATION, CONSTITUTION, COMMON LAW AND/OR EQUITY, ARE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH (WITHOUT REGARD TO INTERNAL PRINCIPLES OF CONFLICTS OF LAW) AND APPLICABLE FEDERAL LAW. THE LEGALITY, ENFORCEABILITY AND INTERPRETATION OF THIS AGREEMENT AND THE AMOUNTS CONTRACTED FOR, CHARGED AND RECEIVED UNDER THIS AGREEMENT WILL BE GOVERNED BY SUCH LAWS. THIS AGREEMENT IS ENTERED INTO BETWEEN YOU AND US IN UTAH. WE MAKE DECISIONS ABOUT GRANTING CREDIT TO YOU FROM, EXTEND CREDIT TO YOU UNDER THIS AGREEMENT FROM, AND ACCEPT YOUR PAYMENTS IN, UTAH.

28. HEADINGS; CAPTIONS: Section and paragraph headings and captions used in this Agreement are for convenience and reference purposes only, and do not limit or affect the meaning of the provisions in this Agreement. Unless the context specifically requires otherwise, the use of the singular in this Agreement includes the plural (and vice versa).

29. INQUIRIES OR QUESTIONS: You may address any inquiries or questions which you have about your Account to BMW Bank of North America, P.O. Box 9210, Old Bethpage, NY 11804, or you may call us at 888 BMW CARD.

Covered Borrowers under the Military Lending Act. Effective October 3, 2017 for New Accounts: Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). To hear disclosures related to the Military Lending Act, please call this toll-free number: 1-877-724-3317.

MARYLAND RESIDENTS: Finance charges will be imposed on the outstanding balances from month to month in amounts or at rates not in excess of those permitted by law. You have the right under Maryland Commercial Law Code Section 12-510 to receive an answer to a written inquiry concerning the status of your Account.

NEW JERSEY RESIDENTS: Because certain provisions of this Agreement are subject to applicable law, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, is void, unenforceable or inapplicable in New Jersey.

OHIO RESIDENTS: The Ohio laws against discrimination require that all creditors make credit equally available to all credit worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio civil rights commission administers compliance with this law.

WISCONSIN RESIDENTS: No provision of a marital property agreement, a unilateral statement under Wisconsin Statutes section 766.59 or a court decree under section 766.70 adversely affects the interest of the creditor unless the creditor, prior to the time the credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred.

YOUR BILLING RIGHTS: Keep This Document For Future Use

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What to Do If You Find a Mistake on Your Statement

If you think there is an error on your statement, contact us at 1-888-269-2273 or send a letter to:

BMW Bank of North America

P.O. Box 9210

Old Bethpage, NY 11804

In your communication please provide the following information:

- *Account information:* Your name and account number.
- *Dollar amount:* The dollar amount of the suspected error.
- *Description of problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

What Will Happen After We Receive Your Communication:

We must do two things:

1. Within 30 days of notification, we must tell you that we received your communication. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your communication, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect any amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- *If we made a mistake:* You will not have to pay the amount in question or any interest or other fees related to that amount.
- *If we do not believe there was a mistake:* You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount that you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question, even if your bill is correct.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your credit card and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us at 1-888-269-2273 or send a letter to:

BMW Bank of North America

P.O. Box 9210

Old Bethpage, NY 11804

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.

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2. CERTAIN DEFINITIONS: In this Agreement, the words “you” and “your” refer to each person (jointly and severally if more than one) who has applied for the Account and any other person who has agreed to be responsible for the Account. The words “we”, “us” and “our” refer to BMW Bank of North America, its agents, successors or assigns. “Card” refers to each Visa Card that is issued by us for your Account. The term “Check” refers to a convenience check, a written Credit Device that we may issue to you. The term “Credit Device” refers to a Check, payee-designated check, draft, order, or other instrument or transaction that accesses the Account, other than a Card. Any Card or Credit Device must be destroyed or returned to us immediately upon our request.

3. USING YOUR ACCOUNT: You may use your Card or Account to purchase or lease goods or services or pay amounts you owe (collectively, “Purchases”) wherever the Card is honored. From time to time we may offer you the opportunity to use your Account or a Credit Device to pay amounts you owe under accounts with other creditors (“Balance Transfers”). You may also use your Card or a Check to obtain cash loans (“Cash Advances”) from any financial institution that accepts the Card.

You may obtain a Cash Advance by writing a Check. Checks will not be subject to any stop payment order and will not be returned to you. Each Check may be used only by the person(s) whose name(s) is/are printed on it. Each Check must be completed and signed by you (or either of you) in the same manner as a regular personal check. You may not use any Check we issue to you to pay any amount you owe under your Cardholder Agreement or under any other credit agreement or account you may have with us. In addition to Check transactions, the following transactions will be treated as Cash Advances:

- obtaining cash from participating Automated Teller Machines (“**ATM**”);
- obtaining cash from participating financial institutions nationwide that have agreed with Visa to allow you to use your Card to obtain cash;
- obtaining money orders, wire transfers, casino or gaming chips, travelers’ checks, foreign currency, vouchers redeemable for cash or similar items.

You may not use your Card or Account for any gambling or for any illegal purpose.

You may not use your Card or Account to make purchases of cryptocurrency or digital currency from or through vendors identified as digital currency marketplaces, exchanges, or brokers.

4. OBLIGATIONS ON YOUR ACCOUNT: You authorize us to pay and charge your Account for all Purchases, Balance Transfers and Cash Advances made or obtained by you or anyone you authorize or by anyone who has apparent authority to use your Card or Account. You promise to pay us for all of these Purchases, Balance Transfers and Cash advances, plus any interest assessed on your Account and any other charges and fees you may owe under the terms of this Agreement. You will be obligated to pay authorized charges to your Account whether resulting from (a) actual use of your Card or a Credit Device, (b) mail order or telephone, internet or other electronic Purchases made without presenting the Card or (c) any other circumstance where you authorize a charge, or authorize someone else to make a charge, to your Account.

5. JOINT ACCOUNTS: If this is a joint Account, each of you has the right to use the Account as provided for in this Agreement and is individually responsible to pay the entire balance due. Either of you may give us notices required or make requests permitted under this Agreement. If each of you gives us notices or makes requests, and those notices or requests are conflicting, we may honor or refuse to honor either request at our option. We can do so without notice to any person(s). We will not be liable for honoring or refusing to honor any conflicting request. We may require that you pay the full amount owed without our first asking the other person(s) to pay.

6. CREDIT LIMIT: Your maximum amount of credit we will extend to you (“Credit Limit”) is initially shown on the Card Carrier containing your Card. We may designate that only a portion of your Credit Limit is available for Cash Advances (“Cash Advance Credit Limit”) and you agree not to exceed that limit. Therefore, since we may change any applicable Credit Limit from time to time, your latest Credit Limit(s) will appear on your Monthly Statement. You agree not to make a Purchase or obtain a Balance Transfer or a Cash Advance that would cause the unpaid balance of your Account (including interest, fees and other charges) to exceed any applicable Credit Limit. We may honor Purchases, Balance Transfers and Cash Advances in excess of any applicable Credit Limit at our sole discretion. If we do, this Agreement also applies to that excess and you agree to pay that excess immediately upon request. The fact that we may at any time honor a Purchase, Balance Transfer or Cash Advance in excess of the applicable Credit Limit does not obligate us to do so again.

Subject to any restrictions under applicable law, you agree that we may change or cancel any applicable Credit Limit at any time without affecting your obligation to pay all amounts owed under this Agreement. For security reasons, we may limit the number or dollar amount of transactions that may be accomplished with your Card, Account or any Credit Device, and we have the right to limit authorizations to complete such transactions if we consider it necessary to verify payments received.

7. MONTHLY STATEMENTS: We will send a statement at the end of each monthly billing cycle (“**Monthly Statement**”) in which your Account has a debit or credit balance of more than \$1 or if interest has been imposed, or as required by applicable law. Among other things, your Monthly Statement

will show your New Balance, any interest, any Credit Limit(s) and credit available, the minimum amount you must pay ("**Minimum Payment Due**") and the date when payment is due ("**Payment Due Date**").

Minimum Monthly Payment: If the New Balance shown on your monthly statement is less than \$20, your Minimum Monthly Payment due by the Payment Due Date) is your New Balance. Otherwise, the Minimum Monthly Payment for each billing cycle will be the greater of \$20 or the total of (1) 1% of the New Balance, plus (2) any Interest Charge, plus (3) any Overlimit Fee, plus (4) any Late Fee, plus (5) any amount past due, plus (6) if we so elect, any amount over your Credit Limit, including any Cash Advance exceeding your Cash Advance Credit Limit, at the time of billing. **You may pay more than the Minimum Payment Due and may at any time pay the full amount you owe us without incurring any additional charge.**

8. PAYMENT ON ACCOUNT: Except as otherwise provided in this Agreement or any promotional offer, you must pay at least the Minimum Payment Due each billing cycle that there is a balance on your Account. All payments must be made in U.S. dollars. Any payment made by check or other negotiable instrument must be drawn on a U.S. bank or a U.S. branch of a foreign bank.

If we receive a payment on your Account at the address shown on your Monthly Statement before 5:00 p.m. ET on any Processing Day or if you make a payment by telephone or internet your payment will be considered made on the date received. The term "Processing Day" refers to any Sunday through Friday, excluding federal and state banking holidays on which we are not open for business. Your payment will not be considered received by us if the payment is later dishonored. Payments made by mail received at a location other than the payment address shown on the Monthly Statement may be delayed by up to five Processing Days.

Payments posted to your Account may not immediately result in additional available credit. Subject to any restrictions of applicable law, we will apply your payments to the balances in your Account in whatever manner we determine. Generally, payment amounts that exceed the required Minimum Payment Due will be allocated to balances with higher Annual Percentage Rates ("APR") (including new transactions) before balances with lower APRs.

9. INTEREST: When your Account has a balance subject to interest (as described in Section 11 below), we will calculate interest by applying a daily periodic rate to that balance. If you owe interest in any billing cycle, the charge will be no less than the minimum interest charge stated in the Summary of Terms.

10. PERIODIC RATES: We will use one or more daily periodic rates to calculate how much interest you owe. Your periodic rates and corresponding APRs will vary. The daily periodic rate is a rate equal to the APR divided by the number of days in that year. Except as otherwise provided in a promotional offer, the rate for Purchases ("**Purchase Rate**"), the rate for Cash Advances ("**Cash Advance Rate**"), and the rate for Balance Transfers ("**Balance Transfer Rate**") will be the rates shown in the Summary of Terms. Please see your Summary of Terms for details, including the current periodic rates and corresponding APRs.

Penalty Rate – The periodic rates and corresponding APRs on all balances will increase to the "Penalty Rate" (as described in your Summary of Terms) if: (a) your required Minimum Payment Due is not credited to your Account within five (5) days of the Payment Due Date or (b) a payment on your Account is not honored by your bank or other financial institution. If the Penalty Rate is applied, it will apply to your Account until you have made the Minimum Payment Due by the Payment Due Date for six (6) consecutive months.

Variable Rate – Except as provided in a promotional offer, the periodic rates and corresponding APRs on your account will vary with the market based on the highest domestic bank "prime rate" as published in the "Money Rates" section of The Wall Street Journal (the "**Prime Rate**"). We determine your APRs for each billing cycle by adding the "Margins" described and shown in the Summary of Terms to the Prime Rate published two days prior to the billing cycle closing date. If the Prime Rate increases, the daily periodic rates and corresponding APRs may increase, and as a result, the interest, the Minimum Payment Due, and the number of payments required to repay all amounts owed on the Account also may increase. Any new periodic rate will apply to the existing balance of your Account to the extent permitted by applicable law.

11. WHEN INTEREST BEGINS TO ACCRUE: Except as provided below, interest on Purchases, Cash Advances and Balance Transfers will accrue from the date of the transaction (or, at our option, from the date they are posted to your Account).

Purchases – You will not have to pay interest on Purchases if you pay your New Balance in full by the Payment Due Date shown on your Monthly Statement, which shall not be less than 22 days after the close of the billing cycle.

Cash Advances and Balance Transfers – Unless otherwise disclosed in a promotional offer, there is no period in which credit extended may be paid without incurring interest on Cash Advances or Balance Transfers.

12. BALANCE SUBJECT TO INTEREST RATE: We will figure interest on your Account by applying the periodic rate applicable to the "daily balance" of your Balance Transfers, Cash Advances, and Purchases (if applicable) for each day in the billing cycle. To get the "daily balance", we take the beginning balance of your Balance Transfers, Cash Advances, and Purchases (if applicable) each day, add any new Purchases, Cash Advances, Balance Transfers, and/or applicable fees, and subtract any payments and/or credits. This gives us the "daily balance." This Agreement provides for the compounding of interest.

13. FEES:

Annual Fee — If applicable, you agree to pay us when billed each year (subject to applicable federal law) a non-refundable Annual Fee in the amount stated in the Summary of Terms. Your payment of this fee will not affect any of our rights under this Agreement, including our right to terminate your Account.

Transaction Fees — Unless otherwise disclosed in a promotional offer, we will charge a one-time transaction fee for each Balance Transfer and Cash Advance. The calculation of these fees is described in the Summary of Terms. The fee for a Balance Transfer will be added to your Balance Transfer balance. The fee for a Cash Advance will be added to your Cash Advance balance.

Penalty Fees — If we do not receive a payment from you in at least the amount of your Minimum Payment Due by the Payment Due Date shown on your Monthly Statement, we may charge you a Late Payment Fee (as described in your Summary of Terms). If your bank does not honor the payment you give us, or we must return a payment because it is unsigned or otherwise irregular, we may charge you a Returned Payment Fee (as described in your Summary of Terms). The amount of the Late Payment or Return Payment Fee will be \$25 for the first occurrence and \$35 for any subsequent occurrence within six (6) billing cycles. No Penalty Fee will exceed the lesser of the amount stated in the Summary of Terms or the amount of the

Minimum Payment Due when the payment was late or returned. We will charge only one Penalty Fee for any single event or transaction, even if it involves a late and returned payment in one cycle.

Administrative Fees — You may be charged administrative fees for photocopies of sales slips, duplicate copies of Monthly Statements, for the expedited mailing or replacement of your Card and for any EMV or “chip” card you request. These fees will be disclosed to you at the time of the request.

14. DEFAULT/COLLECTION COSTS: Subject to any restrictions of applicable law, your Account will be in default and we may demand immediate payment of the entire amount you owe us without giving you prior notice if: (a) in any month we do not receive your Minimum Payment Due by the Payment Due Date; (b) you otherwise fail to comply with this Agreement; (c) there is a filing for your bankruptcy; (d) you die or become incapacitated; or (e) we believe in good faith that the payment or performance of your obligations under this Agreement is impaired for any other reason. To the extent the state where you live permits the charging of such fees and costs, you agree to pay all collection expenses actually incurred by us in the collections of amounts you owe under this Agreement (including court costs and the fees of any collection agency to which we refer your Account) and, if we refer your Account after your default to an attorney who is not our regularly salaried employee, you agree to pay the reasonable fees of such attorney. We will not be obligated to honor any attempted use of your Account if default has occurred or we have determined to terminate your Account or limit your Account privileges (as discussed in Section 15 below). **WISCONSIN RESIDENTS:** We will not charge you attorneys’ fees, court costs, or other collection costs incurred as a result of your default.

15. TERMINATION: Subject to any restrictions of applicable law, we may terminate your privileges under this Agreement or limit your right to make Purchases, obtain Cash Advances or initiate Balance Transfers at any time without notice or liability. If we ask, you must destroy your Cards and any unused Credit Devices. You agree that you will not try to make a Purchase, obtain a Cash Advance or initiate a Balance Transfer after you have been notified that your privilege to use your Account has been terminated. You may terminate this Agreement at any time. If you do, you must destroy all Cards and Credit Devices previously issued on the Account. If you call us, we may require that termination of your Account (by you or us) will not affect your existing obligations under this Agreement or your liability for all amounts owed under the terms of this Agreement.

16. NOTICES: We will send Monthly Statements and any other notices to you at the address shown in our filed. If this is a joint Account, we can send Monthly Statements and notices to either of you, unless otherwise required by applicable law. You promise to inform us promptly in writing of any change in your address. We may, at our discretion, accept address corrections from the United States Postal Service.

17. INTERNATIONAL TRANSACTIONS - FEE AND FOREIGN CURRENCY CONVERSION RATE: You may use your Card and your Account for Purchases and Cash Advances that qualify as “International Transactions” under this Agreement. For purposes of this Agreement, “International Transactions” include (a) Purchases and Cash Advances made in currencies other than U.S. Dollars from participating Visa merchants and (b) Purchases and Cash Advances made in U.S. Dollars from participating Visa merchants located outside the U.S. For purposes of this Agreement, Purchases and Cash Advances made in U.S. Dollars from participating Visa merchants located in a U.S. territory, U.S. military base, U.S. embassy, or U.S. consulate are not deemed to be International Transactions.

Each time you use your Card or Account to make an International Transaction, you agree to pay the International Transaction Fee stated in your Summary of Terms, whether the transaction is originally made in U.S. Dollars or converted to U.S. Dollars from a foreign currency.

For International Transactions converted to U.S. Dollars from a foreign currency, you agree to pay the converted amount plus the International Transaction Fee stated in your Summary of Terms. Conversion to U.S. Dollars may occur on a date other than the date of the transaction; therefore, the currency conversion rate may be different from the rate in effect at the time of the transaction. Visa®, and not us, determines the currency conversion rate that is used.

Transactions made in currencies other than U.S. Dollars will be converted to U.S. Dollars under the regulations established by Visa Inc. in effect at the time the transaction is processed by Visa®. Current Visa® regulations in effect provide that the currency conversion rate will be either a rate selected by Visa® from the range of rates available in wholesale currency markets, which rate may vary from the rate Visa itself receives, or the government-mandated rate, as applicable, in each instance effective one day before the applicable Central Processing Date.

18. SKIP/PROMOTIONAL FEATURES: From time to time, we may let you skip or reduce one or more Minimum Payments Due during a year and/or we may temporarily reduce or eliminate interest on all or a portion of the outstanding balances on your Account or offer you other special terms. If we do, we will advise you of the scope and duration of the applicable skip or promotional feature. We will end the skip or promotional feature and apply your regular rates and terms to the extent permitted by applicable law.

19. CHANGES TO THIS AGREEMENT: Subject to applicable law, we can change the terms of, add new terms to, or delete terms from this Agreement at any time. We will give you notice of the change, addition or deletion as required by applicable law. As permitted by applicable law, any change, addition, or deletion to this Agreement will become effective at the time stated in our notice. Unless we state otherwise, the change, addition, or deletion will apply to all outstanding balances on your Account as well as to new transactions to the extent permitted by applicable law.

20. CREDIT REPORTING; INACCURATE INFORMATION: You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations. If you believe that we have information about you that is inaccurate or that we have reported or may report to a credit reporting agency information about you that is inaccurate, please notify us on the specific information that you believe is inaccurate by writing to us at BMW Bank of North America, P.O. Box 9210, Old Bethpage, NY 11804.

21. TELEPHONE MONITORING AND RECORDING: In the regular course of our business we may monitor and record phone conversations made or received by us. You agree that we will have such right with respect to all phone conversations between you and us, whether initiated by you or us. Subject to any restrictions of applicable law, you agree that we may contact you for any reason regarding your Account, including collection of payments, using (i) any contact information, including, but not limited to, an email address or cell phone number you provide at the time of application or in the future and (ii) an automated telephone dialing system and/or artificial or prerecorded voice message, even if you are charged for the call under your phone plan, unless you call us at 888-269-2273 to limit this consent.

22. REFUSAL TO HONOR CARD: We are not responsible for refusals to honor your Card or Credit Devices. And, except as otherwise required by applicable law or regulation, we will not be responsible for merchandise or services purchased or leased through use of your Account.

23. IRREGULAR PAYMENTS: We can accept late payments, partial payments, checks and money orders marked "Paid in Full" or language having the same effect without losing any of our rights under this Agreement. **No payment shall operate as an accord and satisfaction without our prior written approval. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount, must be mailed or delivered to BMW Bank of North America, 2735 E. Parleys Way, Suite 301, Salt Lake City, UT 84109-1666.**

24. LIABILITY FOR UNAUTHORIZED USE OF YOUR CARD OR ACCOUNT: If you notice the loss or theft of your Card or a possible unauthorized use of your Card or Account, you should write to us immediately at BMW Card Services, P.O. Box 9210, Old Bethpage, NY 11804 or call us (toll free) at 888 BMW CARD or (collect) at 410 581 9994. You will not be liable for any such unauthorized use that occurs after you notify us. You may, however, be liable for such unauthorized use that occurs before you notify us. In any case, your liability for such unauthorized use will not exceed \$50.

25. ASSIGNMENT: We may at any time assign your Account, any sums due on your Account, this Agreement or our rights or obligations under this Agreement. The person(s) to whom we make any such assignment shall be entitled to all of our rights under this Agreement, to the extent assigned. You may not assign your Account or any of your rights or obligations under this Agreement.

26. NO WAIVER; ENTIRE AGREEMENT: Our failure to exercise any of our rights under this Agreement, our delay in enforcing any of our rights, or our waiver of our rights on any occasion shall not constitute a waiver of such rights on any other occasion. This Agreement, together with all documents incorporated herein, is the entire agreement between you and us relating to your Account. This Agreement cannot be changed except as explained in this Agreement.

27. GOVERNING LAW: THIS AGREEMENT AND YOUR ACCOUNT, AND ANY CLAIM, DISPUTE OR CONTROVERSY ARISING FROM OR RELATING TO THIS AGREEMENT OR YOUR ACCOUNT, WHETHER BASED ON CONTRACT, TORT, FRAUD AND OTHER INTENTIONAL TORTS, STATUTE, REGULATION, CONSTITUTION, COMMON LAW AND/OR EQUITY, ARE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF UTAH (WITHOUT REGARD TO INTERNAL PRINCIPLES OF CONFLICTS OF LAW) AND APPLICABLE FEDERAL LAW. THE LEGALITY, ENFORCEABILITY AND INTERPRETATION OF THIS AGREEMENT AND THE AMOUNTS CONTRACTED FOR, CHARGED AND RECEIVED UNDER THIS AGREEMENT WILL BE GOVERNED BY SUCH LAWS. THIS AGREEMENT IS ENTERED INTO BETWEEN YOU AND US IN UTAH. WE MAKE DECISIONS ABOUT GRANTING CREDIT TO YOU FROM, EXTEND CREDIT TO YOU UNDER THIS AGREEMENT FROM, AND ACCEPT YOUR PAYMENTS IN, UTAH.

28. HEADINGS; CAPTIONS: Section and paragraph headings and captions used in this Agreement are for convenience and reference purposes only, and do not limit or affect the meaning of the provisions in this Agreement. Unless the context specifically requires otherwise, the use of the singular in this Agreement includes the plural (and vice versa).

29. INQUIRIES OR QUESTIONS: You may address any inquiries or questions which you have about your Account to BMW Bank of North America, P.O. Box 9210, Old Bethpage, NY 11804, or you may call us at 888 BMW CARD.

Covered Borrowers under the Military Lending Act. Effective October 3, 2017 for New Accounts: Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). To hear disclosures related to the Military Lending Act, please call this toll-free number: 1-877-724-3317.

MARYLAND RESIDENTS: Finance charges will be imposed on the outstanding balances from month to month in amounts or at rates not in excess of those permitted by law. You have the right under Maryland Commercial Law Code Section 12-510 to receive an answer to a written inquiry concerning the status of your Account.

NEW JERSEY RESIDENTS: Because certain provisions of this Agreement are subject to applicable law, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, is void, unenforceable or inapplicable in New Jersey.

OHIO RESIDENTS: The Ohio laws against discrimination require that all creditors make credit equally available to all credit worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio civil rights commission administers compliance with this law.

WISCONSIN RESIDENTS: No provision of a marital property agreement, a unilateral statement under Wisconsin Statutes section 766.59 or a court decree under section 766.70 adversely affects the interest of the creditor unless the creditor, prior to the time the credit is granted, is furnished a copy of the agreement, statement or decree or has actual knowledge of the adverse provision when the obligation to the creditor is incurred.

YOUR BILLING RIGHTS: Keep This Document For Future Use

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

What to Do If You Find a Mistake on Your Statement

If you think there is an error on your statement, contact us at 1-888-269-2273 or send a letter to:

BMW Bank of North America

P.O. Box 9210

Old Bethpage, NY 11804

In your communication please provide the following information:

- *Account information:* Your name and account number.
- *Dollar amount:* The dollar amount of the suspected error.
- *Description of problem:* If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

What Will Happen After We Receive Your Communication:

We must do two things:

1. Within 30 days of notification, we must tell you that we received your communication. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your communication, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect any amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- *If we made a mistake:* You will not have to pay the amount in question or any interest or other fees related to that amount.
- *If we do not believe there was a mistake:* You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount that you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question, even if your bill is correct.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

If you are dissatisfied with the goods or services that you have purchased with your credit card and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us at 1-888-269-2273 or send a letter to:

BMW Bank of North America

P.O. Box 9210

Old Bethpage, NY 11804

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay, we may report you as delinquent.