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**OVERVIEW**

* **DriveNow.**

[DriveNow](http://www.drive-now.com/usa) is the flexible, premium car sharing program from BMW introduced to the U.S. market in San Francisco, exclusively featuring BMW ActiveE electric vehicles. DriveNow is designed to be as convenient as having your own car. Customers can take a drive on their own terms with more flexibility than traditional car renting programs. To sign up, customers simply locate a car online or with the DriveNow iPhone app, register, and they’re on their way. They can keep the car for as long as they like. When they’re done, they simply return it to any DriveNow Station.

* Richard Steinberg is the CEO of DriveNow. He was previously Manager, Electric Vehicle Operations and Strategy for BMW of North America.
* **The DriveNow Fleet.**

The fleet currently consists of 70 BMW ActiveE all-electric car with zero emission driving, based on the BMW 1 Series Coupe.

* **DriveNow Fleet Vehicle Features.**

 DriveNow brings its members the Ultimate Driving Machine for the ultimate BMW driving experience.

Each car features:

* + Active Cruise control
	+ Xenon headlamps
	+ Sirius Satellite radio
	+ Professional navigation system
	+ USB audio interface.
	+ Automatic climate control
	+ Heated front seats
	+ Park Distance Control
* **What Makes DriveNow “Premium?”**

DriveNow features premium vehicles, easy interface and supplementary services (including navigation, various location-based mobility services and other services that will be added over time). Vehicles are also available in close proximity to members, and can be returned to any DriveNow station.

* **Bringing DriveNow to Other cities.**

DriveNow launched last year in Germany (Berlin, Munich and Duesseldorf) and San Francisco in June 2012. The long-term plan is to introduce DriveNow to additional cities in the U.S. and abroad.

**HOW IT WORKS**

***Join***

* **Becoming a DriveNow member.**

Customers register using DriveNow’s website (www.drive-now.com/usa), smartphone app or in person at a DriveNow Station terminal. It only takes a few minutes to apply. Once approved, they can pick up their DriveNow ID from a designated DriveNow Station.

* **Eligibility for Membership.**

To become a DriveNow member, customers must have a valid driver’s license for at least two years and be at least 21 years of age. DriveNow also requires a valid credit card -- debit cards and prepaid credit cards are not accepted.

* **DriveNow ID.**

The DriveNow ID, with an RFID sticker, functions as the car key, used to unlock, lock, and start a car.

***Find***

* **DriveNow Vehicle Locations.**

All available DriveNow vehicles are displayed on an interactive map on DriveNow’s website and DriveNow app. The number of vehicles at each DriveNow Station is shown, and as customers zoom in, the name, number and charging status of each vehicle is displayed.

Customers can also call the Service Center toll-free (1-855-347-8388), and notify DriveNow of their current location. DriveNow staff will reserve the next available vehicle in their vicinity and give directions to its location.

* **DriveNow Stations.**

DriveNow Stations, where customers pick up and drop off their vehicle, are conveniently located in and around Downtown San Francisco and soon in Palo Alto and at the San Francisco International Airport. Here, the vehicles are parked, maintained and charged. Public transportation stops or bike sharing services are adjacent to many stations for added convenience. A number of DriveNow Stations also serve as registration sites.

* **Reserving a Vehicle.**

Customers reserve a specific vehicle by pressing the “Book Now” button on the DriveNow app or website. For the next 15 minutes, that vehicle is reserved for them, and no other customer can book it. This gives them the time to go to the DriveNow Station and pick up the car. Or they can also go directly to a DriveNow Station to reserve a car.

* **Time Limits.**

There are no time limits. Drivers keep the car for as little or as long as they like

***Drive***

* **Initiating the Car Sharing Session.**

When the Service Operator hands over the vehicle to customers, they unlock it by holding the DriveNow ID with RFID sticker on the windshield detector at the driver’s side of the vehicle. Once in the driver’s seat, customers:

* + Type their PIN into the in-car touch screen
	+ Evaluate the cleanliness of the vehicle
	+ Take note of any damage
	+ Confirm their booking, and then press the “Start” button.
* **Tips for Driving Electric.**

In general, the ActiveE can be driven like a regular car. But there are a few specifics to be aware of if customers have never driven an electric vehicle before:

* Silence: At higher speeds, tire and wind noise are comparable to a typical internal combustion engine. At low speeds, the vehicles are very quiet. Drivers should keep in mind that the absence of noise could mean that pedestrians may not hear the car approaching. BMW is working closely with the U.S. National Federation of the Blind and the U.S. Department of Transportation to include an attention catching system that is noticeable, but not objectionable.
* Regeneration: When the driver take his or her foot off the pedal, the ActiveE will regenerate energy. This has the same effect as braking, thus your brake lights will go on. This is nothing to worry about -- drivers just have to keep in mind when signaling other drivers. Once they are familiar with pedal regeneration, they will find cruising through the city without pushing the brake very comfortable.

Even though drivers can come to a complete stop using Brake Energy Recuperation, we strongly suggest that they use the brake pedal when they come to a complete stop, especially when they’re located on an incline. Even though the car has an automatic transmission, keeping the foot on the brake pedal will ensure that they maintain their position.

* Range: Depending on driving style, the topography of your route, or the outside temperature, customers can drive as much as 80-100 miles in real world conditions in an ActiveE.
* Charging: Full battery charging takes up to five hours. Charging is done in DriveNow Stations and should cover all trips during a day. However, customers can easily top-up during their rental period. When customers register for DriveNow, they will get a ChargePoint Card that gives them access to the ChargePoint network, a BMW partner. Customers must register for a ChargePoint membership online at [www.chargepoint.net](http://www.chargepoint.net) (additional fees may apply) to activate the ChargePoint account. With their ChargePoint account, they can easily find ChargePoint stations and be automatically billed for any charging fees.

***Park and Return***

* **Parking DriveNow Vehicles in San Francisco.**

Customers may park the DriveNow vehicle in any legal parking spot (additional parking costs may apply). They may return the vehicle and close their reservation at any DriveNow Station.

* **DriveNow Stations in San Francisco.**

There are currently eight DriveNow Stations in and around Downtown San Francisco; as well as one each in Palo Alto and at the San Francisco International Airport. with more to come.

* **Locking a DriveNow Vehicle When Parking for a Short Period.**

Drivers simply exit and lock the car with their DriveNow ID. Additional parking costs may apply.

* **Returning the DriveNow Vehicle.**

Customers simply drive their vehicle back to any DriveNow Station and finish the rental session by pushing the “End Booking” button on the in-car touch screen. They exit the car and lock the vehicle with their DriveNow ID card. This will officially end their rental session.

* **One-Way Trips.**

One-way trips are welcome. Drivers can bring the car to any DriveNow Station.

***Charge***

* **The Benefits of Opening a ChargePoint Account.**

The ChargePoint Network – the largest network of independently-owned EV charging stations -- is the easiest way to recharge at public stations. With ChargePoint, customers can pay any applicable fees automatically.

* **Finding a Charging Station**.

Available ChargePoint stations are highlighted on the in-car navigation system and can be found online at [www.chargepoint.net](http://www.chargepoint.net), or by using the free ChargePoint mobile app for iPhone, Android or Blackberry. While ChargePoint is the largest network of public charging stations in the U.S., customers may use any charging station they wish (additional charging fees may apply).

* **Registering for a ChargePoint Card.**

After registering at DriveNow, customers will receive their DriveNow ID, which is placed on their ChargePoint Card from our partner Coulomb to charge their BMW ActiveE at the ChargePoint Network. They must visit [www.chargepoint.net](http://www.chargepoint.net) to register as a ChargePoint member. Additional costs for charging and parking may apply.

* **Charging the BMW ActiveE.**

After signing up for a ChargePoint account, customers can charge the electric vehicle at all public charging stations shown on the navigation screen. The charging stations will be shown in real time, which means they will be able to see the stations in use and stations that are available for charging. Upon arrival, they should put the car in “Park” mode. Customers simply authorize their account by holding their ChargePoint Card in front of the charging station. Once activated, the station will then be ready for use. Attach the charging plug to the BMW ActiveE per the charging station instructions. To end their charging session at any time, customers again hold their ChargePoint Card in front of the charging station. Once they remove the plug from the car and return it to its holster, their charging session is complete. For additional help, customers can refer to the station display or call the service number on their ChargePoint Card.

* **The DriveNow ID/ChargePoint Card.**

The DriveNow ID/ChargePoint Card has two functions. First, it is the car key to open after booking and close by returning the vehicle. Second, the card is the ChargePoint Card, for using ChargePoint Network stations shown on the navigation screen.

**Rates and Billing**

* **DriveNow Rates.**

There is a one-time $39 activation fee. After booking a car, customers pay $12 for the first half hour and $0.32 for each additional driving minute. When drivers park or charge the car within the rental period, they pay only $0.13 per minute. An entire day, up to 180 miles, is just $90. Additional minutes over 180 miles are billed at $0.55 per mile. The billing period starts after the customer has entered their DriveNow PIN

Included in the rates are:

* Charging fees at DriveNow Stations
* Navigation system in every car
* Collision & liability insurance ($750 deductible – see legal disclaimer)
* **Payment.**

When a rental has been completed, the customer’s credit card will be charged the amount due.

* **Additional Charges.**

While all costs related to car sharing operations are covered by the DriveNow pay-as-one-uses fees, additional charges may apply to customers in the following circumstances:

* Tolls
* Parking fees outside of DriveNow Stations
* Charging fees outside of DriveNow Stations
* Violations of traffic regulations
* Violations of Terms & Conditions
* Taxes

**Insurance**

* **Damages and Liability.**

All DriveNow vehicles are covered by liability and comprehensive insurance policies. However, traffic accidents or damages to the vehicle for which drivers are wholly or partially responsible require them to pay the specified deductible. The standard deductible amount is $750 for each instance of damage. Customers have the option to lower the amount of the deductible when registering. DriveNow staff will explain the various insurance options to customers when they register.

* **Recording Damage.**

At the start of hire, an input dialogue in the ConnectedDrive system allows any new damage not already recorded in the fleet management system to be reported. If the damage is only marginal, it can be recorded and then rectified at the end of the current hire period. In the event of damage which also adversely affects safety and comfort, the customer is supplied with a replacement vehicle or another solution to meet their mobility requirement.

**SUSTAINABILITY AT THE BMW GROUP**

With its corporate Strategy Number ONE, the BMW Group plans to become the leading producer of premium products and premium services for individual mobility. In our view, premium includes the idea of sustainability, which is why we are working to establish sustainable business practices along the entire value chain and throughout all processes. Key elements in our sustainability management are our environmental monitoring system, our on-going dialogue with stakeholders, and the integration of sustainability criteria into every aspect of our corporate development.

In 2011, the BMW Group took first place among all car companies in the CDP Global 500 Ranking. And for the seventh consecutive year, the BMW Group was named most sustainable car company in the Dow Jones Sustainability Index.

**Product responsibility.**

We are realising our commitment to product responsibility in a wide range of ways: making our production network increasingly resource-efficient, implementing holistic recycling concepts and a sustainability strategy that encompasses every one of our sales organisations around the world. And as we work to enhance Efficient Dynamics even further, new technologies make our vehicles safer with consistently positive effects on accident statistics. Our collaborations with research partners and metropolises around the world are bringing forth new concepts to make tomorrow’s transport more efficient and eco-friendly.

**Group-wide environmental protection.**

Can any carmaker run a completely “clean” operation? We are well on the way to doing so. With our “Clean Production” programme and integrated environmental management, we are continually reducing our use of natural resources and the environmental impact of all production processes within the BMW Group worldwide. By the end of 2012, our use of resources will have dropped by 30% compared with 2006 – and we will have moved a good deal closer to fulfilling our ultimate goal of zero-emissions vehicle production.

**Employees.**

We support our employees with a wide range of services and offers – positioning the BMW Group as the most attractive employer in the automotive industry. We make every effort to attract the best people to join us and offer the greatest possible job security. Our increasingly diverse workforce is motivated, competent and highly effective – and a major contributor to the future success of the BMW Group.

**Corporate social responsibility.**

Wherever in the world the BMW Group is active, it is committed to help resolve social challenges. The main focus of our efforts in this area is on community relations, intercultural understanding, culture, education, road safety and health. In all of these areas, our core competencies enable us to add measurable value for society as well as for the company. Our activities mesh effectively with those of BMW AG’s independent foundations.

**BMW PRODUCTION**

**BMW Group U.S. Manufacturing.**

BMW has been manufacturing vehicles in the U.S. since September 1994 and to date, more than 2 million BMW’s have been produced at the plant in Spartanburg, South Carolina.  The plant is the manufacturing home for the X3, X5, and X6 Sports Activity Vehicles with annual production in excess of 275,000 vehicles.   On average, 70% of Spartanburg’s production is exported to BMW markets around the world and in 2011 the plant was the largest exporter of vehicles from the United States.  The plant employs more than 7,000 people and represents a capital investment of more $5 billion (USD).  Spartanburg is currently undergoing expansion in preparation for production of the new X4 planned for 2014.

In late 2011, BMW Group, in a joint venture with SGL Carbon, opened a new manufacturing plant in Washington State for the production of automotive carbon fiber.  The plant in Moses Lake is the first of its kind in the world and is the source of carbon fiber for the new BMW i3 electric vehicle that will go on sale in late 2013.  The plant uses only renewable hydro-power in the manufacturing process and represents an initial investment of $100 million (USD).

**BMW Electric Vehicles.**

The BMW ActiveE was built at the BMW plant in Leipzig, Germany. The Leipzig plant is our competence center for electric vehicle assembly and the future production site for the BMW i3 (2013) and BMW i8 (2014). The BMW ActiveE was built on the same production line as the conventional BMW 1 Series Coupé.

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