

BMW Group

August 12, 2003

Mr. Kenneth N. Weinstein
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 7th Street, SW
Washington, DC 20590

RECEIVED
NHTS-215

2003 AUG 26 P 5:19

OFFICE OF
DEFECTS INVESTIGATION

RE: Recall Campaign - Oil Filter Drain Plug
2003 BMW 746i, 745Li, 760Li

03V-324 ① of ⑥

Dear Mr. Weinstein:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act of 1986 and 49 CFR Part 573.

Pursuant to Section 573.6(c), we submit the following information.

1. **Manufacturer:** Bayerische Motoren Werke AG (BMW AG)
Designated Agent: BMW of North America, LLC
Woodcliff Lake, NJ 07677
2. **Make:** BMW

<u>Model Year/Model</u>	<u>Inclusive dates of manufacture</u>
2003 / 745i, 745Li, 760Li	05/20/2003 - 07/18/2003
3. The number of vehicles affected is approximately 2,400.
4. The percentage of vehicles estimated to actually contain the defect is approximately 3%.
5. The potential defect involves the engine oil filter drain plug. Specifically, insufficient tightening torque may have been applied to the drain plug. This could lead to a loosening of the plug causing an initial oil spray, and a subsequent oil leak. If this happens, the oil pressure warning light will illuminate, and the message "Engine oil pressure! Stop carefully" will appear in the vehicle's instrument cluster message display area. If a large amount of oil loss occurs, engine damage may result.

The name, business address, telephone number, and contact person of the supplier of the oil filter are:

Company
BMW of North America, LLC
BMW Group Company

Mailing address
PO Box 1227
Westwood, NJ
07675-1227

Office address
300 Chestnut Ridge Road
Woodcliff Lake, NJ
07677-7731

Telephone
(201) 307-4000

Fax
(201) 307-4095

Internet
bmwusa.com

H. Wachsmuth
Hengst GmbH & Co. KG
Nienkamp 65-86
48147 Münster
Germany

03V-324② of ⑥

Tel.: 49-251-20202-377
Fax.: 49-251-20202-45

6. BMW initially became aware of this potential problem in July 2003 through internal quality control processes. Subsequent investigations and analyses resulted in an identification of the potential defect, as well as, a determination of the range of potentially affected vehicles.

BMW has received no reports, nor is BMW otherwise aware of any accidents or injuries related to the defect.

7. Not applicable.
8. BMW will conduct a recall campaign to inspect the torque of the oil filter drain plug and, if necessary, retighten the plug with the correctly specified torque.

BMW plans to conduct owner notification in August 2003.

9. A copy of the Service Bulletin will be submitted when available.
10. A draft copy of the owner notification letter is attached.
11. Not applicable.

Sincerely,



Karl-Heinz Ziwick
General Manager
Environmental Engineering

Attachment

TREAD ACT CUSTOMER REIMBURSEMENT PLAN
(BMW of North America, LLC)

03V-324 ③ of ⑤

Customer Reimbursement for Safety Related Recall Repairs
Effective with Safety related recalls initiated January 15, 2003

The customer is encouraged to request reimbursement from their authorized BMW center. Alternatively, the customer may submit the request for reimbursement to the following address:

Customer Relations Department
BMW of North America, LLC
P.O. Box 1227
Westwood, NJ 07675-1227

In all cases:

- Repair expenses pertaining to the subject of the safety recall are reimbursable, not consequential expenses such as towing, rental, accommodations, damage repairs, etc.
- Expenses from repair facilities outside of the BMW center network will be considered; however, the procedure must meet BMW standards and use BMW Genuine Parts.
- When BMW Genuine Parts are used, the Manufacturers Suggested Retail Price (MSRP) will be considered as the guideline for reasonable charges.
- Expenses for repairs performed more than 10 days after the date of the last owner notification letter sent by BMW are not eligible for reimbursement.
- Taxes and hazardous waste disposal, where previously paid, are eligible for reimbursement.
- BMW will not reimburse for prior repairs that did not utilize BMW Genuine Parts.

The authorized BMW center will request a copy of the owner notification letter, as well as, a copy of the owner's previously paid invoice, and then inspect the vehicle (if still in the possession of the invoice holder) to determine the scope and quality of the previous repair. Claims shall be processed within 60 days of receipt.

DRAFT

August xx, 2003

03V-324 ④ of ⑥

Recall Campaign No. 03V-XXX: Oil Filter Drain Plug

Dear BMW Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act.

BMW AG has decided that a defect, which relates to motor vehicle safety exists in certain 2003 Model Year BMW 7 Series vehicles. Our records indicate that you are the owner of a potentially affected vehicle.

DESCRIPTION OF DEFECT

The defect involves an incorrect tightening torque of the engine oil filter drain plug. This can result in a loosening of the plug causing an initial oil spray, and a subsequent oil leak. If this happens, the oil pressure warning light will illuminate, and "Engine oil pressure! Stop carefully" will appear in the vehicle's instrument cluster message display area. If a large amount of oil loss occurs, engine damage may result.

Your vehicle may still be driven; however, do not leave this problem unattended. Depending upon the amount of leaking oil, as well as, traffic conditions and the driver's reactions, this could reduce the ability to control the vehicle. It might also create a risk for drivers of other vehicles.

PRECAUTIONS

1. CONTACT YOUR AUTHORIZED BMW CENTER IMMEDIATELY TO HAVE THE NECESSARY REPAIR PERFORMED AS SOON AS POSSIBLE.
2. If the oil pressure warning light illuminates, or "Engine oil pressure! Stop carefully" appears in the vehicle's instrument cluster message display area, then you should pull over carefully, and as soon as possible, to a safe location and away from traffic. Do not continue to drive the vehicle. Contact BMW roadside assistance at 1-800-332-4269 immediately to have the vehicle brought to the nearest authorized BMW center.
3. BMW recommends that you always wear your safety belt, and that all passengers are properly seated and restrained at all times.

4. If you are not the only driver of this vehicle, please advise all other drivers of this important information.

DESCRIPTION OF REPAIR

The repair will consist of inspecting the torque of the oil filter drain plug and, if necessary, retightening the drain plug with the correctly specified torque.

The repair will require approximately ½ hour. This work will be performed *free of charge* by your Authorized BMW center. Additional time may be required depending on the BMW center's scheduling and processing.

OTHER INFORMATION

If you are no longer the owner of this vehicle, we would appreciate you furnishing us with the name and address of the new owner, using the enclosed postage-paid card.

If you are a lessor of this vehicle, Federal Regulations require you to forward this notice to your lessee.

If you have already had this repair performed at your own expense, please see the attachment regarding possible eligibility for reimbursement.

Should you have any questions about this campaign, please contact your Authorized BMW center.

We appreciate your confidence in our product, and we wish to do everything we can to retain your confidence. Should you need additional assistance, you may contact BMW Customer Relations at 1-800-831-1117.

If the BMW center is unable to remedy the defect without charge or within a reasonable period of time, you may notify the Administrator, National Highway Traffic Safety Administration, 400 Seventh St., S.W., Washington, DC 20590, or call the toll-free Auto Safety Hotline at 1-888-327-4238.

BMW OF NORTH AMERICA, LLC

**TREAD ACT CUSTOMER REIMBURSEMENT PLAN
(BMW of North America, LLC)**

If you have paid for the repair described in the attached letter, and you would like to be considered for reimbursement, please contact your authorized BMW center. Expenses from repair facilities outside of the BMW center network will be considered; however, the procedure must meet BMW standards and use BMW Genuine Parts.

Your authorized BMW center will request a copy of your owner notification letter, as well as, a copy of your previously paid invoice, and then inspect the vehicle (if it is still in your possession) prior to submitting a claim on your behalf to BMW of North America, LLC for reimbursement.

Please note the following:

- Only a repair that is the subject of this safety recall is reimbursable. Consequential expenses such as towing, rental, accommodations, damage repairs, etc will not be reimbursed.
- When BMW Genuine Parts are used, the Manufacturer's Suggested Retail Price (MSRP) will be considered as the guideline for reasonable charges.
- Expenses for repairs performed more than 10 days after the date of the last owner notification letter sent by BMW are not eligible for reimbursement.
- Taxes and hazardous waste disposal, where previously paid, are eligible for reimbursement.
- BMW will not reimburse for prior repairs that did not utilize BMW Genuine Parts.

We anticipate that your authorized BMW center will be able to answer any questions that you may have regarding your qualifications for reimbursement of a previous repair. If you qualify for such a reimbursement, they will also be able to advise you of the manner in which you could receive reimbursement.

We recommend that your authorized BMW center be your primary contact on this issue; however, our Customer Relations Department may be contacted at 1-800-831-1117 for any special assistance that you may require.

Alternatively, you may submit your request for reimbursement to the following address:

Customer Relations Department
BMW of North America, LLC
P.O. Box 1227
Westwood, NJ 07675-1227