

BMW Group

May 12, 2006

Mr. Daniel Smith
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, S.W.
Washington, DC 20590

RECEIVED
MAY 15 P 1:33
DEFECTS INVESTIGATION

06V-164
(6 pages)

**Re: Recall Campaign – Motorcycle ABS Intervention
2004-06 BMW R1200 GS / RT / ST, 2004-05 BMW K1200 S / R Motorcycles**

Dear Mr. Smith:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 and 49 CFR Part 573.

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

- Manufacturer: Bayerische Motoren Werke AG (BMW AG)

Designated Agent: BMW of North America, LLC
Woodcliff Lake, New Jersey 07677
- Make: BMW

Model Year / Model: 2004-2006 / R1200 GS
2006 / R1200 RT
2005 / R1200 ST
2005-2006 / K1200 S
2006 / K1200 R

- | | | | | | | | | | | | |
|---|--|----------|-------------------------|----------|-------------------------|----------|-------------------------|---------|-------------------------|---------|-------------------------|
| <p><u>Inclusive Dates of Manufacture:</u></p> | <table border="0"><tr><td>R1200 GS</td><td>(Jan. 2004 – Feb. 2006)</td></tr><tr><td>R1200 RT</td><td>(Sep. 2005 – Dec. 2005)</td></tr><tr><td>R1200 ST</td><td>(Feb. 2005 – Nov. 2005)</td></tr><tr><td>K1200 S</td><td>(Dec. 2004 – Dec. 2005)</td></tr><tr><td>K1200 R</td><td>(Apr. 2005 – Dec. 2005)</td></tr></table> | R1200 GS | (Jan. 2004 – Feb. 2006) | R1200 RT | (Sep. 2005 – Dec. 2005) | R1200 ST | (Feb. 2005 – Nov. 2005) | K1200 S | (Dec. 2004 – Dec. 2005) | K1200 R | (Apr. 2005 – Dec. 2005) |
| R1200 GS | (Jan. 2004 – Feb. 2006) | | | | | | | | | | |
| R1200 RT | (Sep. 2005 – Dec. 2005) | | | | | | | | | | |
| R1200 ST | (Feb. 2005 – Nov. 2005) | | | | | | | | | | |
| K1200 S | (Dec. 2004 – Dec. 2005) | | | | | | | | | | |
| K1200 R | (Apr. 2005 – Dec. 2005) | | | | | | | | | | |
- The number of motorcycles containing the defect is approximately 5,195 R1200 GS, 3,265 R1200 RT, 580 R1200 ST, 2,930 K1200 S, and 1,230 K1200 R models.
 - The percentage of motorcycles estimated to actually contain the defect is 100%.
 - The defect involves the ABS function. Under rapid, repeated, and unusually harsh braking, when significant force is applied to the brake lever, such as during road-safety training, loss of the ABS function could temporarily occur. Temporary loss of ABS function could result due to an “overpressure” effect in the brake system under these unusual braking circumstances. Even if this were to occur, the motorcycle can still be stopped without ABS, as normal braking is not affected and remains fully available. ABS function will return during normal riding conditions.

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) 782-0764

Website

bmwusa.com



6. BMW became aware of this matter as a result of notifications from road-safety training instructors. During specific brake training runs involving rapid, repeated, and harsh braking, in which significant force was applied to the brake lever, it was observed that the ABS function was temporarily disabled. Subsequent investigations and analyses resulted in a determination of the specific defect and the range of potentially affected motorcycles.

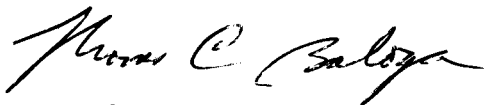
BMW has not received, nor is BMW otherwise aware, of any accidents or injuries related to this issue during normal riding conditions.

7. Not applicable.
8. BMW will conduct a recall campaign to remedy the affected motorcycles. A physical restriction, in the form of a banjo bolt with a flow restrictor, will be added to the brake line of all affected motorcycles. This restrictor is designed to prevent an "overpressure" effect in the ABS system under these unusual braking circumstances. Additionally, for K1200 R models, it will be necessary to install new front brake discs of a slightly larger thickness.

BMW expects to begin and complete dealer and owner notification in May 2006.

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,



Thomas C. Baloga
General Manager
Safety Engineering and Intelligent Transportation Systems

Attachment

DRAFT

May 2006

Motorcycle Recall Campaign No. 06V-xxx, R1200 GS, R1200 RT, R1200 ST, K1200 S, K1200 R – ABS Intervention

Dear BMW Motorcycle 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 2004-06 BMW R1200 GS, 2006 R1200 RT, 2005 R1200 ST, 2005-06 K1200 S, and 2006 K1200 R motorcycles. Our records indicate that you are the owner of a potentially affected motorcycle.

We sincerely apologize for any inconvenience this may cause you.

DESCRIPTION OF DEFECT

The defect involves ABS functionality. Under rapid, repeated, and unusually harsh braking, loss of ABS capability could temporarily occur. This has been known to occur during a unique set of circumstances, for example, road-safety training in which very rapid, repeated, and heavy forces are applied to the brake lever.

However, even during temporary loss of ABS, normal braking is not affected and remains fully functional. The capability to bring the motorcycle to a stop would still exist.

You may continue to ride your motorcycle; however, you must have the problem corrected promptly. Failure to observe the following precautions, in conjunction with traffic and road conditions, and the rider's reactions, could increase the risk of a crash.

PRECAUTIONS

- 1. CONTACT YOUR AUTHORIZED BMW MOTORCYCLE RETAILER IMMEDIATELY TO HAVE THE NECESSARY REPAIR PERFORMED AS SOON AS POSSIBLE.**
- 2. Should you need BMW Roadside Assistance, they can be reached at 1-800-332-4269.**
- 3. If you are not the only rider of this motorcycle, please advise all other riders of this important information.**

DESCRIPTION OF REPAIR

The repair will consist of adding a physical restriction, in the form of a banjo bolt with a flow restrictor, to the brake line of all affected motorcycles. This restrictor is designed to prevent an "overpressure" effect in the ABS system under these unusual braking circumstances. Additionally, for K1200 R models, it will be necessary to install new front brake discs of a slightly larger thickness.

The actual repair may take several hours; however, additional time may be required depending upon the BMW motorcycle retailer's scheduling and processing. This work will be performed free of charge by your Authorized BMW motorcycle retailer.

OTHER INFORMATION

If you are no longer the owner of this motorcycle, 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 motorcycle, 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.

Again, we sincerely apologize for any inconvenience this may cause you.

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

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 and Services at 1-800-831-1117.

If the BMW motorcycle retailer 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 Street S.W., Washington, DC 20590, call the toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY: 1-800-424-9153), or go to <http://www.safercar.gov>.

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 motorcycle retailer. Expenses from repair facilities outside of the BMW motorcycle retailer network will be considered; however, the procedure must meet BMW standards and use BMW Genuine Parts.

Your authorized BMW motorcycle retailer 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 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.

We anticipate that your authorized BMW motorcycle retailer 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 motorcycle retailer be your primary contact on this issue; however, our Customer Relations and Services 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 and Services Department
BMW of North America, LLC
P.O. Box 1227
Westwood, NJ 07675-1227

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

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 motorcycle retailer. Alternatively, the customer may submit the request for reimbursement to the following address:

Customer Relations and Services 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 motorcycle retailer 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 motorcycle retailer 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.