

1200 New Jersey Avenue SE Washington, DC 20590

September 4, 2007

MR. THOMAS C. BALOGA
GENERAL MANAGER, SAFETY ENGINEERING AND
INTELLIGENT TRANSPORTATION SYSTEMS
BMW OF NORTH AMERICA, INC.
PO BOX 1227
WESTWOOD NJ 07675-1227

NVS-215dgl 07V-391

Subject: BRAKE FLUID RESERVOIR CAP\FMVSS 135

Dear MR. BALOGA:

This letter is to acknowledge your recent noncompliance information report. Please review the following information to ensure that it conforms to your records as this information is being made available to the public. If the information does not agree with your records, please contact us immediately to discuss your concerns.

Makes/Models/Model Years:

BMW/X5/2007

NHTSA Campaign Number: 07V-391

Mfg's Report Date: August 20, 2007

Components: SERVICE BRAKES, HYDRAULIC

Potential Number of Units Affected: 6,595

Summary:

CERTAIN PASSENGER VEHICLES FAIL TO COMPLY WITH THE REQUIREMENTS OF FEDERAL MOTOR VEHICLE SAFETY STANDARD NO. 135, "PASSENGER CAR BRAKE SYSTEMS." THE CAP OF THE BRAKE FLUID RESERVOIR HAS BEEN DESIGNED IN ORDER TO RECOGNIZE A LOW FLUID LEVEL OF THE HYDRAULIC BRAKE SYSTEM BY TRIGGERING A RED WARNING LAMP IN THE INSTRUMENT CLUSTER. A SWITCH THAT IS ATTACHED TO THIS CAP COULD MALFUNCTION AT HIGH TEMPERATURES.

Consequence:

IF THIS HAPPENED, THE RED WARNING LAMP IN THE INSTRUMENT CLUSTER WOULD NOT BE ACTIVATED. LOSS OF THE HYDRAULIC BRAKE SYSTEM MAY CAUSE INCREASED STOPPING DISTANCES WHICH COULD RESULT IN A CRASH.

Remedy:

DEALERS WILL REPLACE THE BRAKE FLUID RESERVOIR CAP FREE OF CHARGE. THE RECALL IS EXPECED TO BEGIN DURING SEPTEMBER 2007. OWNERS MAY CONTACT BMW AT 1-800-831-1117.

Notes:

CUSTOMERS MAY ALSO CONTACT THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION'S VEHICLE SAFETY HOTLINE AT 1-888-327-4236 (TTY 1-800-424-9153), OR GO TO HTTP://WWW.SAFERCAR.GOV.

Under 49 U.S.C. § 30112(a), it is illegal for anyone, including a manufacturer, distributor, dealer, or retailer to sell an item of equipment or vehicle that fails to comply with all applicable Federal motor vehicle safety standards.

We have reviewed your proposed owner notification letter and it does not meet all the requirements of Part 577.

Please add a risk at the end of the "Description of Defect" paragraph, i.e., "loss of the hydraulic brake system may cause increased stopping distances which could result in a crash."

Also please revise your owner letters to include the following updated NHTSA hotline information: "...the Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, SE., Washington, DC 20590; or call the toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY: 1-800-424-9153); or go to http://www.safercar.gov."

Please provide the following additional information and be reminded of the following requirements:

Copies of all notices, bulletins, dealer notifications, and other communications that relate to this recall, including a copy of the final owner notification letter and any subsequent owner follow-up notification letter(s), are required to be submitted to this office no later than 5 days after they are originally sent (if they are sent to more than one manufacturer, distributor, dealer, or purchaser/owner).

As stated in Part 573.7, submission of the first of six consecutive quarterly status reports is required within one month after the close of the calendar quarter in which notification to purchasers occurs. Therefore, the first quarterly report will be due on or before 30 days after the close of the calendar quarter.

Your contacts for this recall will be Pat Wallace or Delia Lopez, who may be reached by phone at 202-366-5232 or 202-366-9525 or by email at Patricia.wallace@dot.gov, or through the office email at RMD.ODI@dot.gov. We look forward to working with you for successful completion of this recall campaign.

Sincerely,

George H. Person

Chief, Recall Management Division Office of Defects Investigation

Enforcement