

September, 2007

Recall Campaign No. 07V-391: Brake Fluid Reservoir Cap

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 certain Model Year 2007 BMW X5 SAV vehicles fail to conform to Federal Motor Vehicle Safety Standard No. 135 (Light vehicle brake systems). Our records indicate that you are the owner of a potentially affected vehicle.

We sincerely apologize for any inconvenience this may cause you.

DESCRIPTION OF DEFECT

The cap of the brake fluid reservoir has been designed in order to recognize a failure 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. 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.”

Please do not leave this problem unattended.

PRECAUTIONS FOR YOUR SAFETY

- 1. PLEASE CONTACT YOUR AUTHORIZED BMW SAV CENTER IMMEDIATELY TO HAVE THE NECESSARY REPAIR PERFORMED AS SOON AS POSSIBLE.**
- 2. BMW recommends that you always wear your safety belt, and that all passengers are properly seated and restrained at all times.**
- 3. Please advise all other drivers and passengers of this vehicle of this important information.**

DESCRIPTION OF REPAIR

BMW will conduct a recall campaign to remedy the affected vehicles. Specifically, the cap of the brake fluid reservoir will be replaced.

The actual repair will require approximately one half hour; however additional time may be required depending on the BMW SAV Center’s scheduling and processing. This work will be performed *free of charge* by your Authorized BMW SAV Center.

OTHER INFORMATION

If you are no longer the owner of this vehicle, we would appreciate your 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 SAV Center.

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

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, or via Email at CustomerRelations@bmwusa.com.

If the BMW SAV 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, 1200 New Jersey Ave., S.E., 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