

November 9, 2010

Mr. Claude Harris  
Acting Associate Administrator for Enforcement  
National Highway Traffic Safety Administration  
1200 New Jersey Ave., S.E.  
Washington, DC 20590

**Re: Recall Campaign  
Brake Vacuum Pump  
2002-10 BMW 5-, 6-, 7-Series (8- and 12-cylinder engine)  
Supplemental Report**

Dear Mr. Harris:

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.

Please note that this is to supplement our September 30, 2010 report which, in accordance with Section 573.6(b), contained information pertaining to Section 573.6(c)(1), (c)(2), and (c)(5), and in addition c(3) and c(6).

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|----|--|---|
| 1. | <u>Manufacturer:</u><br><br><u>Designated Agent:</u>   | Bayerische Motoren Werke AG (BMW AG)<br><br>Jan Urbahn<br>BMW of North America, LLC<br>Woodcliff Lake, New Jersey 07677 |
| 2. | <u>Make:</u><br><br><u>Model Year / Model</u>  | BMW<br><br>Aug 8, 2003 – Nov 30, 2009<br>Sep 30, 2003 – Nov 30, 2009<br>Oct 23, 2001 – Jul 24, 2008                     |
|    | <u>Inclusive Dates of Manufacture</u>  |   |
| 3. | The number of vehicles affected is approximately 198,352 (35,903 5-Series, 40,818 6-Series, 121,631 7-Series (including Alpina B7)).   |   |
| 4. | The percentage of vehicles estimated to actually contain the problem is less than 1%.  |   |
| 5. | The issue involves the power assist braking function of the affected vehicles. Specifically, the brake vacuum pump and the brake booster are connected by a vacuum hose. In rare occurrences, a check valve of the brake vacuum pump may leak a small amount of lubricating oil into the vacuum hose. Over time, this could result in contamination of the brake booster. If this occurred, then power assist braking could be affected. In an extreme case, loss of power assist braking could occur. However, the service brake control would still be available to slow and stop the vehicle, and the vehicle still satisfies the applicable FMVSS pertaining to conditions in which there is a loss of power assist braking. |   |

**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) 571-5479

**Website**  
bmwusa.com



The name, business address, telephone number, and contact person of the brake vacuum pump is:

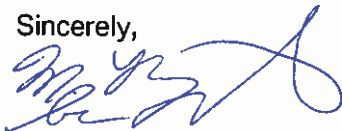
Peter Klomann  
Director Quality Management  
Ixetic GmbH  
Georg-Schaeffler-Straße 3  
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6. BMW decided to perform a service action in Japan in late 2009. Subsequent to discussions with the Japanese Ministry of Land and Infrastructure Transport (MLIT), the service action was conducted in the form of a recall. Accordingly, BMW reported this to NHTSA via Part 579 in December 2009. Concurrently, BMW was examining the possibility of a similar issue in other markets including the US, and what type of action to take, if warranted. Extensive analyses involving, e.g., various levels of oil contamination, lab (system/component) testing, road (vehicle) testing, time-to-failure projections, Weibull (statistical) analyses, etc. were performed. This eventually resulted in a determination of the source of the problem, as well as, the number and production range of potentially affected vehicles. In mid-September 2010, BMW decided to conduct a voluntary recall. Accordingly, BMW submitted its initial report to NHTSA on September 30, 2010.

BMW has not received any reports, nor is BMW otherwise aware, of any accidents or injuries related to this issue.

7. Not applicable.
8. BMW will conduct a recall campaign to remedy the affected vehicles. Specifically, the brake vacuum line (including a check valve) will be inspected and replaced on all vehicles eliminating the possibility for oil to reach the brake booster. If necessary, the brake booster and brake master cylinder will also be replaced. BMW initially notified dealers in October, and expects to begin and complete owner notification in late November.
9. Not applicable.
10. A copy of the Service Bulletin will be submitted when available.
11. A draft copy of the owner notification letter is attached.
12. Not applicable.

Sincerely,



Jan Urbahn  
General Manager  
Safety Engineering and Intelligent Transportation Systems

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 center. 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 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.~~