

BMW Group

December 8, 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
In-Tank Fuel Pump
2008 BMW X5 SAV
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 October 26, 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 also c(3) and c(6).

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

- Manufacturer: Bayerische Motoren Werke AG (BMW AG)

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

Model Year / Model: 2008 X5 SAV (6-cylinder engine)

Inclusive Dates of Manufacture: Nov. 1, 2007 – Aug. 30, 2008
- The number of vehicles affected is approximately 20,750.
- The percentage of vehicles estimated to actually contain the problem is unknown at this time.
- The issue involves the vehicle's in-tank fuel pump. It has been determined that the fuel pump may stop working due to premature wear. In most cases, it would no longer be possible to start the engine. However, in some cases, the fuel pump may stop working while the vehicle is in motion. If this were to occur, then vehicle stalling would result. If stalling were to occur, it would not be able to maintain vehicle speed or accelerate. Power steering assist would also be affected, leading to an increase in steering effort.
- BMW became aware of this matter through its normal quality control analyses and processes. Specifically, BMW became aware of this issue through field monitoring involving possible occurrences of non-starting engines and stalling. Subsequent

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



engineering analyses indicated that variations in production quality of the pump's commutator could lead to insufficient wear resistance of the commutator's brush contacts. As a result, premature wear of the commutator could occur. Subsequent investigations and analyses resulted in a determination of the number, and production range, of potentially affected vehicles. On October 21, 2010, BMW decided to conduct a voluntary recall. Accordingly, on October 26, 2010, BMW submitted its initial report to NHTSA.

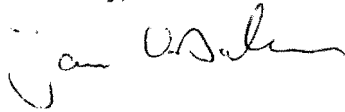
BMW has not received any reports, nor is BMW otherwise aware, of any accidents or injuries related to this issue.

7. Not applicable.
8. BMW will conduct a recall campaign to remedy the affected vehicles. Specifically, the in-tank fuel pump will be replaced.

BMW began dealer notification in November and expects to complete dealer notification in December. BMW expects to begin and complete owner notification in December.

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

Attachment

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 SAV 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 SAV 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 SAV 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.