

June 22, 2011

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

11v-332  
(4 Pages)

**Re: Recall Campaign  
Engine Belt Tensioner  
2012 BMW X5 xDrive35d (Diesel) SAV**

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.

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: 2012 / X5 xDrive35d (Diesel) SAV

Inclusive Dates of Manufacture: March 31, 2011 – May 19, 2011
- The number of vehicles affected is approximately 923.
- The percentage of vehicles estimated to actually contain the condition is approximately 30%.
- The issue involves an engine belt tensioner on diesel engine vehicles. The belt tensioner contains a flange plate which is welded to a housing containing the tensioner's torsion spring unit. Due to a component manufacturing error at the supplier, the welds between the flange plate and housing could have incipient cracks. Over time, this could lead to damage, and then to a malfunction, of the belt tensioner. This would result in a sudden loss of power steering assist during driving. However, if there were a loss of power steering assist, manual steering capability would be retained, and the system would still comply with all relevant motor vehicle safety standards worldwide.

**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 supplier, and country of origin of the component, is:

Mr. Thomas Knautz  
Mubea spol. s.r.o.  
Zebrak 510  
CZ-26753 Zebrak  
Czech Republic  
Tel.: 420-311-9072  
Fax: 420-311-378  
Email: [thomas.knautz@mubea.com](mailto:thomas.knautz@mubea.com)  
Country of Origin – Czech Republic

6. BMW became aware of this matter through its quality control analyses and processes.

On April 15, 2011, BMW was initially informed of a possible component manufacturing error by the supplier. On April 18<sup>th</sup> and 19<sup>th</sup>, a visual inspection of potentially affected parts was conducted by BMW and the supplier at the engine manufacturing facility. The inspection revealed that some tensioners contained an incipient crack in one or both welds of the flange plate.

On May 3, 2011, initial strength testing of the parts was conducted, which consisted of e.g., torsion and vibration tests, under normal vehicle operating conditions. These tests showed no change of the incipient cracks at the welds of the flange plate. Therefore, further strength testing was planned. On May 4<sup>th</sup>, a meeting was held at the engine manufacturing facility in order to embargo potentially affected engines. On May 20<sup>th</sup>, further inspections, comprising complete engines, specifically engines that had been shipped to and arrived at the vehicle assembly plant, were able to be conducted (as engine production was in Europe, while vehicle assembly was in the US).

On June 10, 2011, additional strength testing of the parts was conducted, which consisted of e.g., start-stop and full-load ramp-up tests, under critical vehicle operating conditions. These tests showed that one or both welds of the flange plate could crack.

In parallel, production and manufacturing records were examined in order to determine the number, and production range, of potentially affected vehicles. Also, a review of the warranty claims database and field report systems indicated that no claims or reports pertaining to this issue have been received.

On June 16, 2011, BMW decided to conduct a voluntary recall.

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

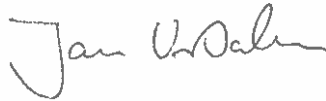
7. Not applicable.
8. BMW will conduct a recall campaign to remedy the affected vehicles. Specifically, the engine belt tensioner will be replaced.

BMW expects to begin and complete dealer and owner notification in July 2011.

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,

A handwritten signature in black ink that reads "Jan Urbahn". The signature is written in a cursive style with a large initial "J" and a long, sweeping underline.

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.

