

August 18, 2011

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
Fuel Filter Heater
2009 BMW X5 xDrive35d**

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.

1. Manufacturer: Bayerische Motoren Werke AG (BMW AG)
Designated Agent: Jan Urbahn
BMW of North America, LLC
Woodcliff Lake, New Jersey 07677
2. Make: BMW
Model Year / Model: 2009 / X5 xDrive35d (or X5 Diesel)
Inclusive Dates of Manufacture: October 1, 2008 – June 12, 2009
3. The number of vehicles affected is approximately 2,120.
4. The percentage of vehicles estimated to actually contain the problem is 100%.
5. The issue involves the fuel filter heater (FFH) unit which is used for warming up the diesel fuel during vehicle operation at low outside temperatures. The FFH unit includes an electronic control circuit with a pressure switch and a temperature sensor. An internal electrical contact may be inadequate. If the contact was inadequate, this could lead to an electrical overload condition in the unit's power transistor. If this happened, then a permanent activation of the fuel filter heater, including activation on a parked vehicle with an ignition-off condition, could result draining the battery. In most cases, it would not be possible to start the vehicle due to a dead battery. However, in a rare case, the unit could overheat and eventually lead to a vehicle fire.

The name, business address, telephone number, and contact person of the supplier, and country of origin of the component, is:

Olessja Stepanow
MAHLE Filtersysteme GmbH

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



Fuel Filtration Systems (BD2F)
Pragstr. 54, 70376 Stuttgart, Germany
Phone: +49 (0) 711/ 501 -20600,
Fax: +49 (0) 711/ 501-20540
Mobile: +49 (0) 151 19505278
ollessja.stepanow@mahle.com

Country of Origin – Austria

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

BMW received three reports from the field, approximately one year apart, for the US X5 diesel model between February 2010 and February 2011. The first report was received in February 2010; the other two reports were received in late 2010 / early 2011. These reports added to 22 reports from the field that BMW had received about non-US models for a total of 25 reports. Of those reports, 14 cases were received since December 2010. BMW had started technical analyses earlier in 2010 which was indicating the relationship to winter weather. Further engineering analyses uncovered the described root cause. Production and manufacturing records were also examined in order to determine the number, and production range, of potentially affected vehicles.

On August 11, 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 fuel filter heater will be replaced.

BMW expects to begin and complete dealer notification in September 2011. BMW expects to begin and complete owner notification in early October 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,



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.

