

BMW 1 Series, 3 Series, X1 SAV, X3 SAV, X5 SAV and X6 SAC

Model Year 2006-2015

Safety Recall 16V-071 (Drivers Front Air Bag Module)

Dealer Q&A - February 19, 2016

SALES	
Can dealers sell impacted vehicles to RETAIL customers?	No. All impacted vehicles/VINs are on stop sale and cannot be sold at this time. BMW NA will not indemnify dealers on any sales that violate the stop sale mandate.
Can dealers WHOLESALE impacted vehicles?	No. All impacted vehicles/VINs are on stop sale and cannot be sold at this time. BMW NA will not indemnify dealers on any sales that violate the stop sale mandate.
Are replacement parts available?	No. We are still trying to determine when replacement parts will be available. We will update you when more information is available.
Will the replacement modules contain ammonium nitrate?	No.
What should dealers do when a customer wants to trade in a BMW subject to the safety recall?	Dealers will have the <u>option</u> to continue to take in BMW vehicles on trade. Financial details will be announced next week.
What should dealers do when an off-lease customer wants to purchase his/her impacted lease vehicle?	These vehicles are currently subject to the stop sale. Additional information regarding how to process these vehicles will be available next week.
Will BMW NA offer any programs to impacted customers who don't feel comfortable driving their vehicles?	We are developing options for handling these customers. Details will follow once the owner notification letters go out during the month of March.
Will BMW NA provide any special CPO sales support for vehicles impacted by the stop sale once repaired?	

Will dealer KPI targets for Balanced Scorecard, CPO Bonus, AVP, etc. be adjusted?	
Will there be any target adjustments to the 1Q2016 Purchase Incentive Program?	
How should we handle ASP vehicles at auction?	
If I don't have room to store impacted vehicles in inventory, will you take them and store them for me?	No.
Service Loaners/Rental Cars	Customer notification will commence in March. Until then, the existing policies remains the same.

Financial Assistance for Full Circle Dealers	
Will dealers receive any Full Circle purchase relief for off-lease required purchases on <u>impacted vehicles</u> ?	
What are the specifics of the BMW floorplan and depreciation assistance packages?	
Can I use the current Discretionary Pull Ahead program to get a customer out of their current car impacted by the recall?	