U.S. Department of Transportation

National Highway Traffic Safety Administration

1200 New Jersey Avenue SE
Washington, DC 20590

August 17, 2026

26V525

Martin Rapaport
BMW of North America, LLC
PO Box 1227
200 Chestnut Ridge Road
Westwood, NJ 07675-1227

Subject: Loss of Rear Wheel Power from Driveshaft Damage

Dear Martin Rapaport:

This letter serves to acknowledge BMW of North America, LLC's notification to the National Highway Traffic Safety Administration (NHTSA) of a safety recall which will be conducted pursuant to Federal law for the product(s) listed below. Please review the following information to ensure that it conforms to your records as this information is being made available to the public. If the information does not agree with your records, please contact us immediately to discuss your concerns.

Makes/Models/Model Years:
BMW/540I/2021-2023
BMW/M550I/2021-2023
BMW/840I/2022-2026
BMW/840I XDRIVE/2022-2026
BMW/750E XDRIVE/2024-2026
BMW/540I XDRIVE/2021-2023

Mfr's Report Date: August 12, 2026

NHTSA Campaign Number: 26V525

Components:
POWER TRAIN:DRIVELINE:DRIVESHAFT

Potential Number of Units Affected: 27,720

Problem Description:
BMW of North America, LLC (BMW) is recalling certain 2022-2026 840i, 840i xDrive, 2021-2023 540i, 540i xDrive, M550i xDrive, and 2024-2026 750e xDrive vehicles. The connection between the driveshaft and the rear differential may become damaged, possibly resulting in a loss of power to the rear wheels or a vehicle rollaway.

Consequence:

An unexpected loss of drive power can increase the risk of a crash. In addition, a damaged driveshaft can result in a vehicle rollaway if the parking brake is not applied, increasing the risk of a crash or injury.

Remedy:
Dealers will inspect the connection between the driveshaft and rear axle differential, and apply adhesive or replace the driveshaft and rear axle differential, as necessary, free of charge. Owner notification letters are expected to be mailed October 2, 2026. Owners may contact BMW customer service at 1-800-525-7417. Vehicle Identification Numbers (VINs) involved in this recall will become searchable on NHTSA.gov beginning October 2, 2026.

Notes:
Owners may also contact the National Highway Traffic Safety Administration Vehicle Safety Hotline at 1-888-327-4236 (TTY 1-888-275-9171), or go to www.nhtsa.gov.

Please be reminded of the following requirements:

You are required to submit a draft owner notification letter to this office no less than five days prior to mailing it to the customers. Also, copies of all notices, bulletins, dealer notifications, and other communications that relate to this recall, including a copy of the final owner notification letter and any subsequent owner follow-up notification letter(s), are required to be submitted to this office no later than 5 days after they are originally sent (if they are sent to more than one manufacturer, distributor, dealer, or purchaser/owner).

Please be reminded that under 49 U.S.C. § 30112(a)(3), it is illegal for a manufacturer, to sell, offer for sale, import, or introduce or deliver into interstate commerce, a motor vehicle or item of motor vehicle equipment that contains a safety defect once the manufacturer has notified NHTSA about that safety defect. This prohibition does not apply once the motor vehicle or motor vehicle equipment has been remedied according to the manufacturer's instructions.

As stated in 49 U.S.C. § 30118(f), submission of eight consecutive quarterly reports followed by three annual reports is required. As described in 573.7, submission of the first of eight consecutive quarterly status reports is required within one month after the close of the calendar quarter in which notification to purchasers occurs. Therefore, the first quarterly report will be due on, or before, 30 days after the close of the calendar quarter. The first of three consecutive annual status reports will be due on, or before, 1 year after the eighth quarterly report was submitted.

BMW of North America, LLC's contact for this recall will be DeMara Magruder who may be reached by email at demara.magruder@dot.gov. We look forward to working with you.

Sincerely,

Alex Ansley

Alex Ansley
Chief, Recall Management Division
Office of Defects Investigation
Enforcement