

SI B01 28 17 Warranties September 2017 Technical Service

CLASS ACTION LAW SUIT SETTLEMENT: WATER INTRUSION AND ACCUMULATION IN THE TRUNK (E60)/REAR CABIN WELL AREA (E61)

New information provided by this revision is preceded by this symbol

This Service Information bulletin supersedes SI B01 28 17 dated September 2017

What's New:

• The end date for the "free one-time inspection/repair" to be performed and claimed has been extended to 11/21/2018.

• An additional website screen shot has been added.

MODEL

E60 (525i Sedan) Model Year 2007 produced from 2/28/2006 to 3/7/2007	E60 (525Xi Sedan) Model Year 2007 produced from 3/1/2006 to 2/27/2007	E60 (528i Sedan) Model Years 2008, 2009 and 2010 produced from 3/1/2007 to 12/21/2009	E60 (528Xi Sedan) Model Years 2008, 2009 and 2010 produced from 3/1/2007 to 12/21/2009
E60 (530i Sedan) Model Year 2007 produced from 2/28/2006 to 3/8/2007	E60 (530Xi Sedan) Model Year 2007 produced from 2/28/2006 to 3/2/2007	E60 (535i Sedan) Model Years 2008, 2009 and 2010 produced from 3/1/2007 to 12/18/2009	E60 (535Xi Sedan) Model Years 2008, 2009 and 2010 produced from 3/1/2007 to 12/21/2009
E60 (550i Sedan) Model Years 2007, 2008, 2009 and 2010 produced from 2/28/2006 to 12/18/2009	E60 (M5 Sedan) Model Years 2007, 2008, 2009 and 2010 produced from 3/24/2006 to 12/15/2009	E61 (530Xi Sport Wagon) Model Year 2007 produced from 3/1/2006 to 2/23/2007	E61 (535Xi Sport Wagon) Model Years 2008, 2009 and 2010 produced from 3/2/2007 to 4/7/2010

Approved Final Settlement Class Vehicle Information: Model-year 2007 to 2010 U.S. specification BMW 5 Series (E60 and E61) vehicles* purchased in the United States or Puerto Rico.

Note: The "Model" information above is for informational purposes only, it is not the only deciding

factor.

To determination a vehicle's eligibility and to confirm this settlement applies, always perform a VIN-specific DCSnet Warranty Inquiry first; please refer to the "Eligible Vehicles" section of this bulletin for further details.

UPDATE ELIGIBLE VEHICLES

To determination a vehicle's eligibility and to confirm this coverage applies, always perform a VIN-specific DCSnet Warranty Inquiry first.

To assist you in identifying those vehicles that have this "component-specific" extended limited warranty coverage, the DCSnet Warranty Vehicle Inquiry has been updated with the VIN and Component-specific "Vehicle Comment" shown below:

Updated VIN Flag

SI B01 28 17 (DC 54 12 90 01 00) CLASS ACTION LAWSUIT SETTLEMENT: WATER INTRUSION AND ACCUMULATION IN THE TRUNK (E60)/REAR CABIN WELL (E61) AREA, MAY APPLY. FOR ELIGIBLE VEHICLES, AN INSPECTION AND APPLICABLE CORRESPONDING REPAIRS ARE AVAILABLE ONE-TIME (REPAIR/CLAIM DATES) BEGINNING ON 8/28/2017 BUT NO LATER THAN THE EXTENDED DATE OF 11/21/2018.

Original VIN Flag

CLASS ACTION LAWSUIT SETTLEMENT: WATER INTRUSION AND ACCUMULATION IN THE TRUNK (E60)/REAR CABIN WELL (E61) AREA, SERVICE INFORMATION BULLETIN SI B01 28 17 MAY APPLY (DC 54 12 90 01 00). NOTE: THIS ACTION IS AVAILABLE ONE-TIME UP TO ONE (1) YEAR FROM THE EFFECTIVE DATE OF THE SETTLEMENT (REPAIR/CLAIM DATES BEGINNING ON 8/28/2017 AND UNTIL 8/27/2018).

INFORMATION

BMW of North America, LLC ("BMW NA") is has entered into a court approved "nationwide settlement" with this Class Action's lawsuit plaintiffs.

Class Allegations

In their complaint, the plaintiffs allege that:

Model Year 2004 to 2010 BMW 5 Series E60 (Sedans) and Model Year 2006 to 2010 E61 (Sport Wagons) vehicles ("Preliminary Class Vehicles") have defectively designed sunroofs drains which, if they become clogged, causes water intrusion and accumulation in the trunk/rear cabin well area of these vehicles. As a result, over time, this can potentially damage the electrical components and wiring that is located in the lowest part of the well area.

Final Settlement Class Vehicles

US specification Model Year 2007 to 2010 BMW 5 Series E60 (Sedans) and E61 (Sport Wagons) vehicles **("Final Settlement Class Vehicles")** registered and operated in the US (including Puerto Rico).

Class Members

US residents (including Puerto Rico) who purchased or leased a Class Vehicle.

Settlement Terms for Final Settlement Class Vehicles

For eligible vehicles, the free inspection is available one-time (repair/claim dates) beginning on 8/28/2017 but no later than the extended date of 11/21/2018, Class Members will be permitted to bring their Class Vehicle to an authorized BMW center to have the free one-time inspection and control module relocation procedure performed.

The vehicle inspection and applicable corresponding repairs are available to the Final Settlement Class Vehicle(s) up to and including 120,000 miles without vehicle age (time) limitation during the "repair window" noted above.

PROCEDURE

If a documented prior vehicle repair that included relocation of the rear control modules was not performed or cannot be determined:

- Remove all luggage compartment trim panels and inspect for water intrusion and accumulation in the rear well area.
- During this inspection, relocate the applicable control modules (See SI <u>B61 13 06</u>) that are currently located in the rear well area (i.e. the RDC, PDC, MPM, TCU, LOGIC-7 and/or SDARS).
- Also inspect, and as necessary, repair/replace any consequentially water-damaged control modules, components, wires and/or connectors that are located in the rear well area.
- Inspected, and if necessary, clean the sunroof drains according to the repair instructions
- Visually inspect the condition of the trunk or rear hatch seal, replace only if necessary.

Important: During the vehicle inspection/control module relocation repair visit, warning label PN 71 24 6 777 721 must also be affixed to the trunk/rear well area of the Class Vehicle.

The following exclusion will apply:

- 1. Class Vehicles that have previously undergone an SI <u>B61 13 06</u> repair at an authorized BMW Center that was covered under the New Vehicle Limited Warranty or as a goodwill repair;
- 2. Class Vehicles where damage to a module(s) resulted from operator misuse
- 3. Class Vehicles where damage to a module(s) resulted from transporting hazardous materials including, but not limited to, chemical, biological and medical materials;
- 4. Class Vehicles that were used in a competitive event that may have caused damage to the Vehicle;
- 5. Class Vehicles where damage to a module(s) resulted from an improper tailight repair, such as after a motor vehicle accident.
- 6. Vehicles' where the true mileage (TMU) cannot be determined.

PARTS INFORMATION

Part Number	Description	Quantity
71 24 6 777 721	Notice, emerging fluid	1

Refer to SI <u>B61 13 06</u> for other parts numbers that are needed for the control module relocation procedure, please only order these parts in the **quantities needed to address** your customers' affected E60 and E61 vehicles.

Note: Please refer to the Electronic Parts Catalog (ETK/EPC), using the customer's VIN to locate the other applicable replacement part numbers that may be needed.

Also refer to ETK/EPC and the repair instructions for onetime-use fasteners/screws and other information regarding repair-related gaskets, seals, fluid and/or lubricants that also need to be replaced/used and claimed.

WARRANTY INFORMATION

For eligible vehicles, the free inspection is available **one-time (repair/claim dates) beginning on**

8/28/2017 but no later than the extended date of 11/21/2018, Class Members will be permitted to bring their **Final Settlement Class Vehicles** to an authorized BMW center to have a free one-time inspection, control module relocation (SI B61 03 06) and other related repairs procedures performed.

The vehicle inspection and corresponding applicable repairs are available to Class Vehicle(s) up to and including 120,000 miles without vehicle age (time) limitation during the "repair window" noted above.

For the applicable control modules, noted in the procedure section above, which required replacement during the inspection/control module relocation procedure service visit, they will be covered by BMW NA's standard 2 year/unlimited mileage replacement part warranty for defects in material or workmanship.

The existing limited warranty coverage for the whole vehicle and other components has not changed.

Non-Qualifying Repairs

Non-US specification vehicles, ineligible vehicles, eligible vehicles operated and repaired outside the United States and Puerto Rico and/or the diagnosis and repair of other unrelated issues that are not covered under the terms of this settlement that is noted above.

Vehicle Inspection, Control Module Relocation and Related Repairs - Claim Submission

Claim this work with the defect code and labor operations provided below.

Defect Code:	5412900100	Water Intrusion And Accumulation in the Trunk (E60)/Rear Cabin Well Area (E61)
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Vehicle Previously Repaired/Rear Control Modules Already Relocated

Labor Operation:	Labor Allowance:	Description:
54 00 001	3 FRU	Work time: A documented prior vehicle repair that included relocation of the rear control modules is confirmed and affixing the warning label as necessary (Main work)
Or:		
54 00 001	1 FRU	Work time: A documented prior vehicle repair that included relocation of the rear control modules is confirmed and affixing the warning label as necessary (Plus work – Vehicle is already in the workshop)

Or:

If you are using a Main labor code for another repair, use the Plus code labor operation 51 47 743 instead of 51 47 243.

Or:

E60 (5 Series Sedans) without the Through-Loading System and E61 (5 Series Sport Wagons)

Labor Operation:	Labor Allowance:	Description:
51 47 243		Removing and installing or replacing all luggage compartment trim panels (Main work)

Or:	
51 47 743	Removing and installing or replacing all luggage compartment trim panels (Plus work)

If you are using a Main labor code for another repair, use the Plus code labor operation 51 47 743 instead of 51 47 243 for accessing the rear lower compartment for inspection.

Or:

E60 (5 Series Sedans) with the Through-Loading System

Labor Operation:	Labor Allowance:	Description:
51 47 244	Refer to KSD2/AIR	Removing and installing or replacing all luggage compartment trim panels (with through-loading system) (Main work)
Or:		
51 47 744	Refer to KSD2/AIR	Removing and installing or replacing all luggage compartment trim panels (with through-loading system) (Plus work)

If you are using a Main labor code for another repair, use the Plus code labor operation 51 47 744 instead of 51 47 244 for accessing the rear lower compartment for inspection.

And:

Labor Operation:	Labor Allowance:	Description:	
51 99 000	3 FRU	Work time to inspect for water intrusion in the rear lower compartment area and relocate the applicable control modules if not already done (SI <u>B61 13 06</u>)	

And, additionally as necessary:

Labor Operation:	Labor Allowance:	Description:	
54 00 010		Work time to clean the sunroof drains according to the repair instruction	

Refer to KSD2/AIR for the corresponding flat rate unit (FRU) allowances.

Work time labor operation codes 51 99 000 and 54 00 010 are not considered a Main labor operations. Also, since the "work time" FRU allowances to be claimed are specified, separate punch times are not required.

And:

Sublet – Bulk Materials

Sublet Code 4See sublet reimbursement calculation below	Reimbursement for the repair-related bulk materials (BMW part number(s), please do not use the part numbers for claim submission)
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Sublet reimbursement calculation for claiming the "used quantities" of repair-related bulk materials (BMW part numbers) is at dealer net plus your center's handling.

Enter this material cost in sublet and itemize the amount on the repair order and in claim comment section.

Consequential Repair(s)

When additional work and/or parts are required as a "direct result" of the issue described in this bulletin (waterdamaged control units with replacement programming and coding when applicable, other components, wires and/or connectors), claim these items under the defect code listed above together the applicable labor operations listed in KSD2/AIR.

Explain and itemize this consequential repair work on the repair order and in the claim comment section.

Control Module replacements due to the issue described in this Bulletin

Under this action, when a control module's KSD2 replacement flat rate labor operation's description includes the following statement:

• (not including programming/encoding, see 61 00..)

After the control unit replacement(s), perform and claim the following:

Labor Operation:	Labor Allowance:	Description:
00 00 556	Refer to KSD2	Performing "vehicle test" (with vehicle diagnosis system – checking faults) (Plus work)
And:		
61 21 528	Refer to KSD2	Connect an approved battery charger/power supply (indicated in KSD 2 as Charging battery)
And:		
61 00 730	Refer to KSD2	Programming/encoding control unit(s)

Vehicle Programming and Coding

During the same workshop visit, if a vehicle also requires another Technical Campaign or repair that also includes programming and encoding the control units, the programming procedure may only be invoiced one time.

A. The programming procedure automatically reprograms and encodes all vehicle control modules which do not have the latest software i-level. If one or more control module failures occur "during" this programming procedure:

• Please claim this "consequential" control module-related repair work under the defect code listed in this bulletin with the applicable KSD2/AIR labor operations.

Please explain this additional work (The why and what) on the repair order and in the claim comments section.

B. For control module failures that occurred "prior" to performing this programming procedure:

• When "covered" under an applicable limited warranty, claim this control module-related repair work using the applicable defect code and labor operations (including diagnosis) in KSD2/AIR.

UPDATE! Overlapping Labor Procedure – Other Repairs

If invoicing the KSD2/AIR flat rate labor operation codes for other repair work results in overlapping labor, for those flat rate labor operations that are affected, you are able to:

• Replace the stated KSD2 "FRU allowance" with a "reduced FRU value" to eliminate the overlapping labor.

For help in identifying the overlapping labor, please refer to the AIR FRU Plausibility Check (Overlapping Labor Tool) that is located in the AIR Client.

Eligible other repair work being claimed under a different defect code will require separate punch times.

On the repair order and in the claim comment section, please identify and itemize those labor operations being claimed with a "reduced FRU value."

Previous Customer-pay Repairs

Prior to the Final Settlement, Class Members could have filed a claim with the Claims Administrator, as outlined in the website below, for qualifying previous customer-pay repairs that were performed on the "Preliminary Class Vehicles."

The completed reimbursement request form had to be postmarked or submitted online to the Claims Administrator no later than June 28, 2017.

The following automobiles were not included in the Final Settlement Class Vehicles.

The owners/operators of these vehicles were **only** eligible to file a reimbursement request claim for a qualifying prior repair expense to the Claims Administrator:

- E60 (525i Sedan) Model Years 2004, 2005 and 2006 produced from 5/9/2003 to 3/2/2006
- E60 (525Xi Sedan) Model Year 2006 produced from 10/15/2004 to 3/2/2006
- E60 (530i Sedan) Model Years 2004, 2005 and 2006 produced from 4/17/2003 to 3/2/2006
- E60 (530Xi Sedan) Model Year 2006 produced from 11/18/2004 to 3/1/2006
- E60 (545i Sedan) Model Years 2004 and 2005 produced from 4/30/2003 to 8/31/2005
- E60 (550i Sedan) Model Year 2006 produced from 4/12/2005 to 3/3/2006
- E60 (M5 Sedan) Model Year 2006 produced from 3/31/2005 to 9/4/2006
- E61 (530Xi Sport Wagon) Model Year 2006 produced from 10/20/2004 to 3/1/2006

The one-time vehicle inspection, control module relocation and related repair procedures do not apply the above vehicles.

For additional information about the settlement reimbursements, please direct your customers to the following settlement website: <u>www.E6061WaterIngressSettlement.com.</u>

Thursday, September 20, 2018

ATTACHMENTS

View PDF attachment SI B012817_E6061WaterIngressSettlement.com_New.

View PDF attachment B012817_E6061WaterIngressSettlement.com.

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Preliminary Class Vehicle Information: Model-year 2004 to 2010 U.S. specification BMW 5 Series (E60 and E61) vehicles purchased in the United States or Puerto Rico:

• Qualifying prior repair reimbursement: Reimbursement Claim request to the Claims Administrator must be postmarked or submitted online on or before June 28, 2017.



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Catalano v. BMW of North America, LLC and BMW AG

Welcome to the Catalano v. BMW NA Settlement Website

If you are a current or former owner or lessee of a U.S. specification model-year 2004 to 2010 BMW 5 Series (E60 and E61) vehicle, you may be eligible for benefits of a class-action settlement.

A nationwide settlement ("Settlement") has been reached in a class action lawsuit against BMW of North America, LLC ("BMW NA") and Bayerische Motoren Werke Aktiengesellschaft ("BMW AG") ("Defendants"). The lawsuit concerns model-year 2004 to 2010 U.S. specification BMW 5 Series (E60 and E61) vehicles purchased in the United States or Puerto Rico ("Class Vehicles"). The lawsuit alleges that certain electronic components stored in the spare tire well of the trunk in the Class Vehicles are susceptible to water damage, caused either by clogged sunroof drainage tubes or by some other means of water ingress. Defendants have denied these allegations.

The Settlement provides an opportunity to be reimbursed for certain past expenses and to obtain a free inspection, relocation, and repair of the affected electronic components.

Your legal rights are affected whether you act or don't act, so please read the Notice carefully, available at the Case Documents link above.

Final Approved Settlement Class Vehicle Information: Model-year 2007 to 2010 U.S. specification BMW 5 Series (E60 and E61) vehicles* purchased in the United States or Puerto Rico:

- Up to one (1) year after the Effective Date of the settlement (Repair/claim dates of beginning on 8/28/2017 and until 8/27/2018), Class Members will be permitted to bring their Class Vehicle* to an authorized BMW center to have free one-time inspection, control module relocation procedure and other required related repairs performed.
- The vehicle inspection and corresponding applicable repairs are available to Class Vehicle(s) up to and including 120,000 miles without vehicle age (time) limitation during the one (1) year "repair window" noted above.



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Catalano v. BMW of North America, LLC and BMW AG

Welcome to the Catalano v. BMW NA Settlement Website

On July 28, 2017, Judge Katherine B. Forrest granted final approval of the Settlement. The Settlement is now Effective. Claims are currently undergoing a confirmation process. The Claims Administrator will advise Claimants, in writing, whether their Claim has been approved and, if so, in what amount, or, if the Claim is denied in whole or in part, will explain why the Claim was denied. Service Campaign relief is also now available to Settlement Class Members with eligible 2007-2010 BMW 5-Series Vehicles with less than 120,000 miles at the time their Vehicle is submitted for inspection, relocation, and any repair or replacement services under the Service Campaign. Settlement Class Members with eligible Vehicles may make an appointment with their local BMW Center to obtain Service Campaign relief.



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Catalano v. BMW of North America, LLC and BMW AG

Welcome to the Catalano v. BMW NA Settlement Website

Your Rights and Options in this Settlement

Submit a Claim and/or Take Your Class Vehicle to an Authorized BMW Center	Make a claim for relief so that you may be able to receive the valuable benefits available to you under the Settlement and/or take your vehicle to an authorized BMW Center after the Settlement is approved.	Claims must be postmarked or submitted online on or before June 28, 2017 . See <u>Question 8</u> in the Frequently Asked Questions (FAQ). You must bring your Class Vehicle to a BMW Center within one year after the Settlement is approved. See FAQ <u>Question 6</u> .
Exclude Yourself	This is the only option that allows you to be part of any other lawsuit, or your own lawsuit, against the Defendants about the legal claims released in this Settlement.	Must be postmarked by May 29, 2017 . See FAQ <u>Question 11</u> and <u>Question 14</u> .
Object	Write to the Court about why you do not like the Settlement.	Must be filed and postmarked by May 29, 2017. See FAQ Question 18.
Go to a Hearing	Ask to speak in Court about the Settlement.	The Final Approval Hearing is scheduled for July 28, 2017 . See FAQ <u>Question 22</u> .
Do Nothing	Give up rights to benefits under the Settlement and to be part of this or any other lawsuit against the Defendants about the legal claims released by the Settlement.	See FAQ <u>Question 10</u> .



Catalano v. BMW of North America, LLC and BMW AG

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The Settlement provides an opportunity to be reimbursed for certain past expenses and to obtain a free inspection, relocation, and repair of the affected electronic components.

Your legal rights are affected whether you act or don't act, so please read the Notice carefully, available at the Case Documents link above.

**UPDATE: The Settlement is now Effective. Claims are continuing to be reviewed and processed by the Claims Administrator and BMW NA. The Claims Administrator will advise Claimants, in writing, whether their Claim has been approved and, if so, in what amount, or, if the Claim is denied in whole or in part, will explain why the Claim was denied. The Claims Administrator will also advise whether a submitted Claim was deficient. Claimants will have an opportunity to correct the deficiency. Notices regarding the status of submitted Claims and Settlement Payments on approved Claims are being sent to Claimants on a rolling basis. We appreciate your patience as Claims undergo review and continue to be processed.

Service Campaign relief is still available to Settlement Class Members with eligible 2007-2010 BMW 5-Series Vehicles with less than 120,000 miles at the time their Vehicle is submitted for inspection, relocation, and any repair or replacement services under the Service Campaign. Settlement Class Members with eligible Vehicles may make an appointment with their local BMW Center to obtain Service Campaign relief, and may reference Service Information Bulletin "SI B01 28 17". The Service Campaign will close on November 21, 2018.