1200 New Jersey Avenue SE Washington, DC 20590



July 1, 2011

MR. JAN URBAHN GENERAL MANAGER, SAFETY ENGINEERING AND INTELLIGENT TRANSPORTATION SYSTEMS BMW OF NORTH AMERICA, LLC PO BOX 1227 WESTWOOD, NJ 07675-1227 NVS-215kjs 11V-341

SUBJECT: ELECTRIC POWER STEERING UNIT

DEAR MR. URBAHN:

This letter serves to acknowledge BMW of North America, LLC's (BMW) notification to the National Highway Traffic Safety Administration (NHTSA) of a safety recall campaign which will be conducted pursuant to Federal law for the vehicles 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/X3/2011 Mfg's Report Date: June 28, 2011

NHTSA Campaign Number: 11V-341

Components: STEERING:ELECTRIC POWER ASSIST SYSTEM

Potential Number of Units Affected: 50

Summary:

BMW IS RECALLING CERTAIN MODEL YEAR 2011 X3 PASSENGER VEHICLES MANUFACTURED FROM APRIL 27, 2011, THROUGH JUNE 8, 2011. A CONTROL MODULE IN THE ELECTRIC POWER STEERING (EPS) UNIT MAY MALFUNCTION, RESULTING IN A SUDDEN LOSS OF POWER STEERING ASSISTANCE.

Consequence:

SUDDEN LOSS OF POWER STEERING ASSISTANCE COULD INCREASE THE RISK OF A CRASH.

Remedy:

BMW WILL NOTIFY OWNERS, AND DEALERS WILL REPAIR THE VEHICLES FREE OF CHARGE. THE SAFETY RECALL IS EXPECTED TO BEGIN DURING JULY 2011. OWNERS MAY CONTACT BMW CUSTOMER RELATIONS AND SERVICES AT 1-800-525-7417.

Notes:

CUSTOMERS MAY CONTACT THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION'S VEHICLE SAFETY HOTLINE AT 1-888-327-4236 (TTY: 1-800-424-9153); OR GO TO HTTP://WWW.SAFERCAR.GOV.

Please provide the following additional information and be reminded of the following requirements:

We have received BMW's proposed owner notification letter and it is currently under review. You will be notified of any changes or concerns once our review is complete. 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).

As stated in Part 573.7, submission of the first of six 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.

Your contact for this recall will be Kelly Schuler, who may be reached by phone at 1-202-366-5227, by email at <u>Kelly.Schuler@dot.gov</u>, or through the office email at <u>RMD.ODI@dot.gov</u>. We look forward to working with you toward a successful completion of this recall campaign.

Sincerely,

Jennifer Timian Chief, Recall Management Division Office of Defects Investigation Enforcement