



## MODEL

All Class BMW Vehicles	
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## INFORMATION

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

In their complaint, the plaintiffs allege:

- BMW centers represented and sold certain BMW vehicles as "new;" after they were
- Previously "retail reported" to BMW NA with a retail type for a "Service Loaner" or "Sales Demo;" and subsequently
- These vehicles were "not used" for this intended purpose.

Because of this, the plaintiffs further allege:

- These vehicles would have been assigned an "in-service" (Warranty Start) date that was earlier than the date when these vehicles were actually delivered to their first retail customer; and as a result
- This reduced the duration of the New Vehicle Limited Warranty "time-interval" on their vehicle.

### Centers' Responsibility

As you know, when you assign and report a new BMW vehicle with a "Service Loaner" or "Sales Demo" retail type to BMW NA through DCSnet, you are establishing the vehicle's in-service (Warranty Start) date.

- **This is the date the vehicle's New Vehicle Limited Warranty period begins and becomes active.**

Accurate retail reporting is necessary to ensure that the proper Warranty Start date has been recorded for every vehicle.

During the vehicle's sales consultation and transaction process, you **must** disclose to the customer any situation that will reduce the limited warranty coverage (time and/or mileage) on that vehicle.

**BMW recommends that you explain and document that the customer completely understands the factors that contributed to the reduction of the warranty coverage on their vehicle.**

## SETTLEMENT TERMS

Effective immediately, the "Settlement" provides the "eligible class vehicles" the following:

### Service Loaner/AMP Vehicles

These vehicles get a "**3-month extension**" to the BMW New Vehicle Limited Warranty for Passenger Cars and Light Trucks.

- For these vehicles, the extended limited warranty coverage period applies to **Months 49, 50 and 51 on a vehicle that has not exceeded 50,000 Miles** as determined from the vehicle's original in-service date.

### Sales Demonstrator Vehicles

These vehicles get a "**3-month extension**" that is in addition to the existing 3-month/5000 mile "Demo Extension" (DE) to the New Vehicle Limited Warranty.

- For these vehicles, the extended limited warranty coverage period applies to **Months 52, 53 and 54 on a vehicle that has not exceeded 55,000 Miles** as determined from the vehicle’s original in-service date.
- The “DE” mileage extension remains at 5,000 miles.

## CLASS VEHICLES

The case involves **BMW vehicles** sold by:

- An authorized BMW center on and after September 28, 2006 and up to and including October 6, 2014 (“Class Vehicles”); that were
- Previously reported to BMW NA with a service-loaner or sales demo vehicle retail type, and these
- Vehicles was not used for this intended purpose; and then were
- Later sold as “**new**” vehicles to the first retail customer with no disclosure about the current status of New Vehicle Limited Warranty coverage period.

Note: BMW European Delivery, Military Sales and any other vehicle that needed to be validated into the BMW NA system are excluded.

## CLASS VEHICLES CUSTOMER NOTIFICATION

The Class Administrator has mailed the “class notice” and “claim form” information to class members who may be eligible to make a claim.

## ELIGIBLE CLASS VEHICLES

To assist you in identifying the eligible class vehicles, the DCSnet Warranty Vehicle Inquiry has been updated with the following “Vehicle Comment.”

**A class action settlement provides either a 3-month extension to the BMW New Vehicle Limited Warranty for Passenger Cars and Light Trucks or to the existing Demo Extension (DE) of the New Vehicle Limited Warranty as determined from the vehicles original in-service date. Please refer to SI B01 06 15 for information on submitting an eligible claim.**

**Note:** Always check the DCSnet Warranty Vehicle Inquiry for this “Vehicle Comment” and for the presence of the “DEMO Extension” indicator before performing any repairs.

## PARTS INFORMATION

As needed for eligible repair(s) performed, claimed and submitted as outlined in this bulletin.

Parts are reimbursed at the Dealer Net (DN) price plus the handling that applies to your center.

Part Number	Description	Quantity
Refer to EPC	Refer to EPC	As applicable

## WARRANTY INFORMATION

For the eligible BMW “Class Vehicles” that are identified in DCSnet Warranty Vehicle Inquiry, a 3-month extension applies to either the:

- BMW New Vehicle Limited Warranty for Passenger Cars and Light Trucks, or the
- Demo Extension (DE).

It applies to the first retail sales owner of an eligible BMW vehicle that is registered, operated and have their covered repair for a defect in materials and workmanship performed by an authorized BMW center in the United States (including Puerto Rico).

All repairs performed and claimed under this extension are subject to the applicable vehicle and coverage eligibility requirements, exclusions and limitations that apply to the BMW New Vehicle Limited Warranty.

**This 3-month limited warranty extension is not transferable.**

Should a component replaced under this extension fail again, this component is covered by the remaining portion of the 3-month limited warranty extension coverage period.

**Non-Qualifying Repairs**

Non-US specification vehicles, ineligible vehicles, eligible vehicles operated and repaired outside the United States and Puerto Rico, BMW Maintenance program claims, diagnosis and repairs that occur outside the 3-month limited warranty extension coverage period or repairs performed on a vehicle that is no longer owned by the class member.

**Claim Submission – Qualifying Repairs**

Claim eligible work with the applicable KSD2 Defect Code and the applicable Vendor ID (The ninth and tenth positions) as outlined below.

**Class Vehicles with a 4 Year/50,000 Mile New Vehicle Limited Warranty**

<b>Defect Code</b>	<b>XX XX XX XX C1</b>	<b>3 MO WTY EXT SVC LOANER/AMP</b>
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**Defect Code Matrix A:**

<b>Vehicle’s Current: Age/Mileage</b>	<b>Up to 50,000 miles</b>
<b>Up to and including Month 48</b>	<b>MG SG XX XX 00*</b>
<b>Months 49, 50, 51</b>	<b>MG SG XX XX C1</b>

**Class Vehicles with a Demo Extension (DE)**

<b>Defect Code</b>	<b>XX XX XX XX C2</b>	<b>3 MO WTY EXT DLR DEMO VEHICLES</b>
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**Defect Code Matrix B:**

<b>Vehicle’s Current: Age/Mileage</b>	<b>Up to 50,000 miles</b>	<b>50,001 to 55,000 miles</b>
<b>Up to and including Month 48</b>	<b>MG SG XX XX 00*</b>	<b>MG SG XX XX DE</b>
<b>Months 49, 50, 51</b>	<b>MG SG XX XX DE</b>	<b>MG SG XX XX DE</b>
<b>Months 52, 53, 54</b>	<b>MG SG XX XX C2</b>	<b>MG SG XX XX C2</b>

Use the “00” Vendor ID unless otherwise instructed, for example, as outlined in a Service Information bulletin’s “Warranty Information” section.

Refer to KSD2 for the corresponding flat rate labor operations and flat rate unit (FRU) allowances.

And, if necessary:

**Sublet – Bulk Materials**

<b>Sublet</b>	<b>See sublet reimbursement</b>	<b>Reimbursement for the repair-related bulk materials (Do not use</b>
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Sublet reimbursement calculation for claiming the used quantities of repair-related bulk materials:

- BMW part numbers dealer net plus your center's handling, or
- Other materials not available through BMW and obtained locally are at "cost plus 20 percent."

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

## PREVIOUS CUSTOMER PAY REPAIRS

Under the terms of the Settlement, any qualifying previous customer-pay repairs that were performed on "Class Vehicles" during the applicable 3-month warranty extension period are eligible to be reviewed for reimbursement.

This includes repairs performed by authorized BMW centers and/or "out of network/independent" repair facilities.

For additional information about the settlement/reimbursements, please direct your customers to the following settlement website: [www.SainivBMWSettlement.com](http://www.SainivBMWSettlement.com).