Kathy Wachs / Lexus Division Service and Parts Operations September 26, 2007 Approved By: Nancy Fein

To: All Lexus Dealers

From: Lexus Service and Parts Operations

LEXUS ES 350 ALL WEATHER FLOOR MAT ACCESSORY SAFETY RECALL NOTICE FOR 2007 AND EARLY 2008 MODEL YEAR VEHICLE ********URGENT******

On September 26, 2007, Toyota filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) regarding the optional Lexus ES 350 All Weather Floor Mat (floor mats constructed from heavy duty rubber) specifically engineered and manufactured for 2007 and early 2008 model year ES 350 vehicles. In recent months, Toyota has received reports regarding the Lexus ES 350 All Weather Floor Mat accessory slipping forward and interfering with the movement of the accelerator pedal. Lexus has investigated these reports and determined that if the optional Lexus ES 350 All Weather Floor Mat (either by itself or if placed on top of an existing carpeted floor mat) is not secured by the retaining hooks (clips) and the mat moves forward, it may interfere with the accelerator pedal from returning to the idle position. If the mat is properly secured, it will not interfere with the accelerator pedal. There are approximately 30,500 Lexus ES 350 vehicles equipped with the All Weather Floor Mats designed for 2007 and early 2008 model year vehicles.

In early October, 2007, Lexus will notify owners of the involved vehicles with a *preliminary* Safety Recall notification, advising customers of when a replacement mat will be available and steps they can take until that time. Lexus is currently developing a design modification to the driver's seating position Lexus ES 350 All Weather Floor Mat. Once the replacement mat is available, a second notification informing Area associates, Dealerships and vehicle owners will be conducted. We anticipate the second notice to be mailed in mid-to-late November, 2007.

To assure over-the-counter accessory sales customers are also notified, approximately 133,000 Lexus ES 350 vehicle owners will be sent notifications. However, only the 30,500 vehicles equipped with the Lexus ES 350 All Weather Floor Mat accessory are affected by this campaign.

To inform dealership associates of this issue, a dealer package will be mailed to dealers in late September 2007.

- All customer inquires should be directed to the Lexus Customer Assistance Center at 1-800-255-3987.
- If you are a dealership associate and have any questions, please contact your District Service and Parts Manager.
- For **News media inquiries only**, they should be directed to Julie Alfonso (310) 468-4625 or Greg Thome (310) 468-3279, in Lexus Corporate Communications. (Please do not provide these numbers to customers or call if you are a dealer associate.)

The following Q&A has been provided for your reference.



CONFIDENTIAL DRAFT

Special Service Campaign (SSC) – 7LB (Safety Recall) Q&A Lexus ES 350 All Weather Floor Mat for 2007 and Early 2008 Model Year Vehicles

01: What is the condition?

A1: The optional Lexus ES 350 All Weather Floor Mat is specifically engineered and manufactured for ES 350 vehicles. This includes two grommet holes in the All Weather Floor Mat and retaining hooks (clips) to secure the mat to the vehicle's carpet. In recent months, Lexus has received reports regarding the Lexus ES 350 All Weather Floor Mat accessory slipping forward and interfering with the movement of the accelerator pedal. Lexus has investigated these reports and determined that if the optional Lexus ES 350 All Weather Floor Mat (either by itself or if it is placed on top of an existing carpeted floor mat) is not secured by the retaining hooks (clips) and the mat moves forward, it may interfere with the accelerator pedal from returning to the idle position. If the mat is properly secured, it will not interfere with the accelerator pedal.

Q2: What is the cause of this condition?

A2: If the optional Lexus ES 350 All Weather Floor Mat (either by itself or if it is placed on top of an existing carpeted floor mat) is not secured by the retaining hooks (clips) and the mat moves forward, it may interfere with the accelerator pedal from returning to the idle position. If the mat is properly secured, it will not interfere with the accelerator pedal.

03: Are there any warnings that this condition exists?

A3: Yes, customers may verify the floor mat is properly secured using the retaining hooks (clips) provided. If the mat is properly secured, it will not interfere with the accelerator pedal. Good times to check are after filling the vehicle's tank with gasoline, after a carwash and/or vehicle interior cleaning, when another driver is about to drive the vehicle, etc. More than one floor mat should *never* be used in the driver's seating position, as the retaining hooks (clips) are designed to accommodate only one floor mat at a time. Customers may refer to the floor mat section of their Owner's Manual for further information regarding the retaining hooks (clips).

Q4: Which and how many floor mats are involved?

A4: The *optional* Lexus ES 350 All Weather Floor Mat specifically designed for the driver's seating position in 2007 and early 2008 Lexus ES 350 vehicles are involved. There are approximately 30,500 Lexus ES 350 All Weather Floor Mats involved in this campaign.

<u>Q5:</u> Are there any other Toyota or Lexus All Weather Floor Mats involved?

A5: Yes, this condition also involves the Toyota Camry All Weather Floor Mat. There are approximately 30,500 Toyota Camry All Weather Floor Mats specifically designed for 2007 and early 2008 model year vehicles involved.

Q6: How many vehicles are involved?

A6: Approximately 30,500 Lexus ES 350 and 24,500 Toyota Camry vehicles are equipped with the All Weather Floor Mats designed for 2007 and early 2008 model year vehicles. To assure over-the-counter accessory sales customers are also notified, approximately 133,000 Lexus ES 350 and 706,500 Toyota Camry vehicle owners will be sent notifications.

Q7: What is the production period of the affected All Weather Floor Mats?

A7: The affected Lexus ES 350 and Toyota Camry All Weather Floor Mats were produced from December, 2005 (Camry) and February, 2006 (ES 350) to mid-September, 2007.

Q8: Is this campaign related to the recent NHTSA investigation on the ES 350 All Weather Floor Mat?

A8: Yes, this campaign is a direct result of the National Highway Traffic Safety Administration (NHTSA) and Toyota investigation into the ES 350 All Weather Floor Mats. During the investigation, it was determined that if the optional Lexus ES 350 All Weather Floor Mat (either by itself or if it is placed on top of an existing carpeted floor mat) is not secured by the retaining hooks (clips) and the mat moves forward, it may interfere with the accelerator pedal from returning to the idle position. If the mat is properly secured, it will not interfere with the accelerator pedal. Based upon the same design pattern to the driver's seating position Lexus ES 350 All Weather Floor Mats, the 2007 and early 2008 Toyota Camry vehicles were included in this campaign.

Q9: How many incidents of this condition have been reported?

A9: According to information received from NHTSA, there had been 17 consumer allegations of this condition in the 2007 Lexus ES 350.

Q10: Have there been any accidents reported?

A10: There have been allegations of 5 accident cases among the 17 complaints received by NHTSA.

011: What is Lexus going to do?

All: In early October, 2007, Lexus will begin sending a preliminary Safety Recall notification to owners of the involved vehicles to inform them of the recall and the timing when the replacement All Weather Floor Mat for the driver's seating position will become available. Once the replacement mat is available, it will be exchanged at no charge to owners. A second owner notification will be sent when the replacement floor mat is available. We anticipate the second notification will begin mailing in mid-to-late November, 2007. The original driver's seating position All Weather Floor Mat will be exchanged for the new one at that time.

012: When will the replacement All Weather Floor Mat become available?

A12: Lexus is currently developing a design modification to the driver's seating position All Weather Floor Mat. We anticipate the new mat will be ready in mid-to-late November, 2007. Lexus will send another notification when the new driver's seating position All Weather Floor Mat is available. The original driver's seating position All Weather Floor Mat will be exchanged for the new one at that time.

013: What should an owner do until the replacement Lexus ES 350 All Weather Floor Mat is available?

A13: Until the replacement All Weather Floor Mat for the driver's seating position is ready, we request the customer's assistance in regularly verifying the floor mat is properly secured using the retaining hooks (clips) provided. If the mat is properly secured, it will not interfere with the accelerator pedal. Good times to check are after filling the vehicle's tank with gasoline, after a carwash and/or vehicle interior cleaning, when another driver is about to drive the vehicle, etc. More than one floor mat should never be used in the driver's seating position, as the retaining hooks (clips) are designed to accommodate only one floor mat at a time.

If an owner would like to immediately return the All Weather Floor Mat set for a refund, the owner will be requested to return the Lexus ES 350 All Weather Floor Mat set to their local Lexus dealership and they will make the necessary arrangements. The dealership will require the owner's Vehicle Identification Number during the return process.

014: What if the customer does not have the Lexus ES 350 All Weather Floor Mat?

A14: If the vehicle does not have the Lexus ES 350 or Toyota Camry All Weather Floor Mat designed for 2007 and early 2008 model year vehicles, it is **NOT** involved in this recall. However, during our investigation, it was noted that floor mat interference is possible in any vehicle with any combination of floor mats. Therefore, if you utilize non-Lexus/non-Toyota floor mats, please make sure they are also properly secured using the appropriate retention device and do not place them on top of another floor mat.

Q15: What if you experience accelerator pedal interference prior to your appointment?

- A15: Each circumstance may vary, and drivers must use their best judgment, but Lexus is providing the following instructions and warnings if the All Weather Floor Mat should interfere with the accelerator pedal:
 - If it is possible and safe to do so, pull back the floor mat as it may dislodge the accelerator pedal from the All Weather Floor Mat.
 - If you need to stop the vehicle immediately, firmly step on the brake pedal with both feet. Do not pump the brake pedal as it will deplete the vacuum utilized for the power brake assist.
 - In the Lexus ES 350 which is equipped with the Engine Start/Stop button, if you can safely stop the vehicle, firmly hold down the Engine Start/Stop button for at least three seconds to turn off the engine. Do not tap the Engine Start/Stop button. However, by turning off the engine, you will lose both power brake assist and power steering assist.

Above all, until the replacement All Weather Floor Mat for the driver's seating position is ready, we request the customer's assistance in regularly verifying the floor mat is properly secured using the retaining hooks (clips) provided. If the mat is properly secured, it will not interfere with the accelerator pedal.