



Via Overnight Mail
April 27, 2010

To: Lexus Area Managers
From: Al Smith, Vice President – Lexus Customer Services
Subject: Safety Recall ALB – Preliminary Notice
Certain 2010 Model Year GX 460 Vehicles
VSC ECU Update – Reflash Software Available

As you were previously informed, on April 19, 2010, Lexus filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall on certain 2010 model year GX 460 vehicles.

On certain 2010 Model Year Lexus GX460 vehicles, if the vehicle is driven through a sharp turn at specific high speed conditions, this could cause the rear tires to slip so that the vehicle slides in a sideways direction. In an extreme case, if the vehicle strikes a curb or slides off pavement, a crash could occur.

During a test conducted by Consumer's Union (Consumer Reports), the Vehicle Stability Control (VSC) did not activate at the initiation of tire slippage. This is due to the gentle yaw rate level generated by this model's high suspension performance system known as KDSS (Kinetic Dynamic Suspension System).

Lexus dealers will install a newly designed software update (reflash) to the VSC electronic control unit (ECU) at **no charge** to the vehicle owner.

The following vital information is provided to inform you and your staff of the dealer and owner notification phase of the safety recall and your degree of involvement. Additional information may be found in the attached Lexus Q&A.

Dealer and Owner Notification Mailing Date

The dealer communication will be sent tomorrow via Next Day UPS delivery to the attention of the service manager. The owner notification will commence in early May, 2010.

Only owners of the vehicles covered by the safety recall will be notified. If a dealership is contacted by an owner who has not yet received a notification letter, please verify vehicle eligibility by confirming through Dealer Daily/TIS prior to performing repairs. Dealers should perform the reflash program as outlined in the Technical Instructions posted on TIS.

Identification of Involved Vehicles

There are approximately 9,400 2010 Lexus GX 460 vehicles covered. The affected vehicle VIN range is listed below.

Model	WMI	Year	VIN Range	
			VDS	Range
GX 460	JTJ	2010	BM7FX	A5000145 - A5013347
			JM7FX	A5000143 - A5013345

NOTE:

- *The Vehicle Distribution Centers will be performing the Safety Recall prior to dealership delivery. Please verify through Dealer Daily/TIS prior to conducting the Safety Recall at dealerships.*

Implementation at Dealerships

Warranty claim submission instructions and VIN lists will be enclosed with a future letter. All associates who have a part in this safety recall should be familiar with the contents of this letter.

Vehicles in Dealer Inventory

As required by Federal law, dealers are not to deliver any new vehicles in their inventory which are involved in a safety recall unless the defect has been remedied. Vehicle safety recall applicability and completion can be verified through TIS.

A VIN list containing vehicles in dealer inventory will be provided with this dealer letter.

Parts Ordering

The reflash process will not require any parts.

Warranty Claim Procedures

Warranty operation codes and VIN flagging via your dealers' DMS system are not currently available. Dealers will need to hold claims for this procedure until opcodes and VIN flagging are loaded early next week.

Customer Handling

Please consider this safety recall as a great opportunity to focus on assuring your customers that their safety remains Lexus' highest priority, which will go a long way toward preserving their faith in your dealership and the Lexus brand. Continue to welcome these customers and answer any questions they may have. The attached Q&A is provided to assure a consistent message is communicated.

Lexus' usual customer care amenities of car wash and fuel tank fill apply to this safety recall. Additionally, one day of rental vehicle expense (to a maximum of \$45) or the cost of pick-up and delivery of the customer's vehicle may be claimed if required and subject to the guidelines published in the Safety Recall/Special Service Campaign/Limited Service Campaign General Procedures document in TIS. If your dealerships assisted with interim alternate transportation while a remedy was developed for those customers who were uncomfortable driving their vehicles when the Consumer Reports article was published, they may claim the actual cost of the alternate transportation using the 'RT' sublet code and then include the number of days of rental and the daily rate in the sublet description. These claims will require DSPM authorization.

Media Contacts

For **news media inquires only**. Due to the nature of this Safety Recall, it is imperative that all media contacts (local and national) receive a consistent message. In this regard, **all media contacts** must be directed to Brian Lyons (310) 468-2552 or John Hanson (310) 468-4718 in Corporate Communications. (Please do not provide these numbers to customers or direct dealership associates to call). Please provide these contacts to only media associates.

Please review this entire package with your staff to familiarize them with the proper step-by-step procedures required to implement this Safety Recall.

Thank you for your understanding and cooperation.

Attachment

CC: Assistant Area General Managers
Customer Satisfaction Managers
Customer Services Field Managers
Customer Services Operations Managers

District Service and Parts Managers
District Technical Managers
Field Product Engineers
Vehicle Field Sales Managers



Safety Recall ALB – Certain 2010 Model Year Lexus GX 460 Vehicles
VSC ECU Update – Q&A

On April 19, 2010, Lexus filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall on certain 2010 model year Lexus GX 460 vehicles.

Q1: Why is Lexus conducting a Safety Recall?

A1: On certain 2010 Model Year Lexus GX460 vehicles, if the vehicle is driven through a sharp turn at specific high speed conditions, this could cause the rear tires to slip so that the vehicle slides in a sideways direction. In an extreme case, if the vehicle strikes a curb or slides off pavement, a crash could occur. Although it is unlikely that drivers will operate their vehicles in this manner, Lexus decided to conduct a safety recall to assure that the vehicle can be operated safely under these conditions.

Q1a: What are the specific conditions of the "sharp turn at the high speed"?

A1a: The specific conditions are: 1) the vehicle is driven straight forward until reaching a speed of 60mph; 2) the vehicle is then advanced into a corner with a radius of about 200ft with the speed held at 60mph for the first 1/3rd of the turn; 3) the driver then lifts his/her foot from the accelerator pedal and does not apply the brake pedal.

Lexus also conducted other testing in which the vehicle was driven straight ahead until reaching a speed of 65mph, at which time the driver lifted his foot off the accelerator pedal. The vehicle then advanced into a corner with a radius of about 200ft, and when the vehicle speed slowed to 55mph, the driver turned the steering wheel sharply without stepping on either the brake pedal or accelerator pedal.

If the driver applies the brake during such maneuvers, the tires will not slip, since applying the brakes will activate the Vehicle Stability Control (VSC) system.

Q2: Why does this occur?

A2: During a test conducted by Consumer's Union (Consumer Reports), the Vehicle Stability Control (VSC) did not provide sufficient hydraulic pressure at the initiation of tire slippage. This is due to the gentle yaw rate level generated by this model's high suspension performance system known as KDSS (Kinetic Dynamic Suspension System).

Q2a: What is "VSC"?

A2a: The VSC system manages engine output and brake hydraulic pressure to ensure vehicle stability. However, the system is not able to exert control in all of the driving situations.

Q2b: What is the "KDSS (Kinetic Dynamic Suspension System)"?

A2b: The KDSS (Kinetic Dynamic Suspension System) optimally adjusts the front and rear stabilizer bars depending on the driving conditions. The stabilizers are disengaged in rough road conditions to allow for suspension movement when driving over rough terrain. The stabilizers are activated for on road driving, thereby preventing vehicle body roll during cornering.

Q3: Are there any steps a driver may take if they experience this condition?

A3: Each circumstance may vary, and drivers must use their best judgment. Drivers should operate their vehicles in accordance with the posted speed limits and warning signs, as well as taking into consideration road and weather conditions. If the brakes are applied when turning at high speeds the VSC is designed to activate.

Q4: Which and how many vehicles are involved?

A4: There are approximately 9,400 GX 460 (2010 model year) vehicles involved in the U.S.

MODEL	MY	UIO
GX 460	2010	9,400

Q5: What is the production period of the affected vehicles?

A5: The vehicles specific to this Safety Recall were produced from November 16, 2009 to April 8, 2010

Q6: Are there any other Toyota or Lexus vehicles involved?

A6: No, there are no other Lexus or Toyota vehicles involved in the North American market. However, the Toyota Prado vehicles equipped with left hand drive and KDSS are involved in other overseas markets.

Q6a: Why are other Toyota and Lexus SUVs not involved in the North American market?

A6a: Due to differences in a combination of weight balance, front and rear suspension design, and equipped tires, no other Toyota or Lexus vehicles are involved in the North American market.

Q7: What is Lexus going to do?

A7: Owners of the affected vehicles will be notified by first class mail to bring their vehicles to a Lexus dealer beginning in early May. Lexus dealers will install a newly designed software update (reflash) to the VSC Electronic Control Unit (ECU) at no charge to vehicle owners.

Q7a: How will the newly designed software reduce the possibility of this condition?

A7a: The newly designed Vehicle Stability Control (VSC) software will apply more hydraulic pressure than the originally equipped software when a slide or skid is detected.

Q8: Have any production changes been implemented?

A8: Yes, a production change was implemented in late April.

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

A9: There have been no incidents reported related to this condition.

Q10: Have there been any accidents reported?

A10: There have been no accidents reported related to this condition.

Q11: What should an owner do if they experience this condition or have immediate concerns about his/her vehicle?

A11: Owners with questions or concerns are asked to contact their local Lexus dealer for diagnosis, and if applicable, repair. Owners may also contact Lexus Customer Satisfaction at 1-800-255-3987.



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Lexus, A Division of Toyota Motor Sales, USA, Inc.

Attachment

CC: Customer Satisfaction Manager
General Manager
Parts Manager

Sales Manager
Service Manager

Dear Sirs,

Reference is made to your letter of the 14th inst.

and in reply to inform you that the same has been forwarded to the relevant departments for their consideration.

As a result of the above, it is requested that you please advise us of the outcome of the same.

Yours faithfully,
[Signature]

Very truly yours,
[Signature]

Yours faithfully,
[Signature]

[Signature]



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