



Via Overnight Mail
July 29, 2010

To: Lexus Area Managers

From: Al Smith - Vice President, Lexus Customer Services

Subject: Safety Recall ALD
Certain 2010 Model Year Lexus HS 250h
Non-Compliance with Fuel System Integrity Standard
(Fuel Cap/Inlet Pipe Protector Installation)

As previously communicated, on June 25, 2010, Lexus filed a Noncompliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall of certain model year 2010 Lexus HS250h vehicles.

After having been struck from the rear at a speed of 50 miles per hour in a test under the provisions of FMVSS No. 301, a 2010 Model Year Lexus HS 250h vehicle leaked more fuel than allowed by the standard when it was rotated on to its driver's side. This occurred because interaction with a body panel edge during the test caused deformation of the fuel cap. If the vehicle is involved in a rear end collision where the fuel cap is damaged and the vehicle rolls over, fuel spillage may occur. Fuel spillage in the presence of an ignition source may lead to a vehicle fire.

Lexus dealers are requested to install a newly designed fuel cap/inlet protector at **no charge** to the vehicle owner, when it is made available.

The following vital information is provided to update you and your staff with regard to this Safety Recall and your degree of involvement.

Dealer and Owner Notification Mailing Date

The dealer letter will be sent today via e-mail to all dealers (dealer principal, general manager, sales manager, service manager, parts manager and warranty administrator) followed by hard copies sent via Next Day UPS to the attention of the service manager on Monday, August 2, 2010.

The owner notification via first class mail will begin in early August 2010. The Lexus Q&A is attached for your use when responding to dealer and customer questions.

Only owners of the affected vehicles will be notified. If your dealerships are contacted by owners who have not yet received a notification letter, please have them verify vehicle eligibility by confirming through Dealer Daily/TIS prior to performing repairs. The affected VINs are posted in TIS.

Identification of Involved Vehicles

There are approximately 17,800 2010 Model Year HS 250h vehicles covered by this Safety Recall.

Model	Year	VIN Range	
		VDS	Range
HS 250h	2010	BB1BA	2000104 - 2037664

NOTE:

- If your dealerships are contacted by owners who request verification of *Safety Recall coverage, please confirm through Dealer Daily/TIS.*

Technical Instructions

The technical instructions will be posted on TIS on July 29, 2010. Before beginning any repairs please make sure your dealers' technicians have read the technical instructions.

Parts

Lexus will place all parts orders for dealers until further notice.

Warranty Claim Submission

The warranty operation code will be loaded and available for dealers to use on Friday, July 30, 2010. Dealers are required to submit Safety Recall claims using the information described below:

Safety Recall	Opcode	Description	Model	Labor Hours
ALD	0521G1	Install the fuel tank filler pipe protector and the fuel tank filler pipe cover folder	HS 250h	0.5

- Flat rate time includes 0.1 hour for Safety Recall administrative cost per unit for the dealership. Lexus warranty will only accept one claim per vehicle under the terms of the Safety Recall. Please ensure that your dealership checks Dealer Daily or TIS to see if the vehicle has been repaired under this Safety Recall prior to servicing a vehicle.

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 noncompliance has been remedied. Vehicle Safety Recall applicability can be verified through TIS. Lexus also requests that dealers not deliver any pre-owned vehicles in their inventory which are involved in this Safety Recall until the noncompliance has been remedied.

Customer Handling

Please consider this Safety Recall as a great opportunity to focus on assuring your customers that their safety remains Lexus' highest priority. This will go a long way toward preserving customers' faith in your dealership and the Lexus brand. Please welcome these customers to your dealership 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 dealership assisted with interim alternate transportation while a remedy was developed for those customers who were uncomfortable driving their vehicles, you may claim the actual cost of the alternate transportation using the 'RT' sublet code and 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 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.

Attachments

CC: Assistant Area General Managers
Customer Satisfaction Managers District Technical Managers
Customer Services Field Managers Field Product Engineers
Customer Services Operations Managers Vehicle Field Sales Managers
District Service and Parts Managers
District Technical Managers
Field Product Engineers
Pre-Owned Managers
Vehicle Field Sales Managers



Safety Recall ALD

Certain 2010 Model Year Lexus HS250h Vehicles

Noncompliance with Fuel System Integrity Standard (Fuel Cap/Inlet Pipe Protector Installation) - Q&A

As previously communicated on June 25, 2010, Lexus filed a Noncompliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall on certain model year 2010 Lexus HS250h vehicles.

Q1: What is the condition?

A1: After having been struck from the rear at a speed of 50 miles per hour in a test under the provisions of FMVSS No. 301, a 2010 Model Year Lexus HS 250h vehicle leaked more fuel than allowed by the standard when it was rotated on to its driver's side. This occurred because interaction with a body panel edge during the test caused deformation of the fuel cap. If the vehicle is involved in a rear end collision where the fuel cap is damaged and the vehicle rolls over, fuel spillage may occur. Fuel spillage in the presence of an ignition source may lead to a vehicle fire.

Q2: What is FMVSS 301

A2: FMVSS 301 is entitled "Fuel System Integrity". It establishes performance requirements to protect against fuel leaks following a crash.

Q3: What was involved with the HS 250h FMVSS 301 test?

A3: The test involved striking the subject vehicle from the rear at 50 mph. The vehicle was struck by a moving deformable barrier with a 70 percent overlap. There was no fuel spillage at this time.

However, following the impact, the test vehicle was rotated on its longitudinal axis in 90° increments. When the vehicle was rotated on to its driver's side, the vehicle exhibited fuel spillage which exceeded the requirement in the standard. Interaction between the edge of the HS 250h's body panel and a portion of the fuel cap occurred due to deformation of the relative parts.

Q4: Why did the fuel cap become damaged?

A4: Interaction between the edge of the HS 250h's body panel and a portion of the fuel cap occurred due to deformation of the relative parts.

Q5: Are there any warnings that this condition will occur?

A5: No. There are no specific warnings that this condition will occur.

Q6: Which and how many vehicles are covered by this Safety Recall?

A6: There are approximately 17,800 Model Year Lexus HS250h vehicles covered by this recall.

Q7: What is the production period of the vehicles covered by this Safety Recall?

A7: The vehicles covered by this Safety Recall were produced between January 29, 2009 and June 24, 2010.

Q8: Are there any other Toyota or Lexus vehicles involved?

A8: No, there are no other Lexus or Toyota vehicles covered by this Safety Recall in the North American market.

Q9: What is Lexus going to do?

A9: In early August 2010, Lexus will begin sending out owner notification letters by first class mail. The letter will advise owners to bring their vehicle to a Lexus dealership to have a newly-designed fuel cap/inlet protector installed at **no charge**.

Q10: Have any production changes been implemented?

A10: End August.

Q11: What should owners do?

A11: Owners are advised to contact their authorized Lexus dealer and schedule an appointment to have the fuel cap/inlet protector installed as soon as possible.

Q12: How long will the repair take?

A12: The repair will take approximately half an hour; however, depending upon the dealer's work schedule, it may be necessary for you to make your vehicle available for a longer period of time.

Q13: How many reports of this condition have been received?

A13: Lexus has received no reports related to this condition.

Q14: Have there been any accidents reported related to this condition?

A14: Lexus has received no reports of any accidents related to this condition.

Q15: What should an owner do if they experience this condition or have immediate concerns about his/her vehicle?

A15: Owners with questions or concerns are asked to contact their local Lexus dealer for diagnosis and repair if applicable. Owners may also contact Lexus Customer Satisfaction at 1-800-255-3987.

**2010 Model Year Lexus HS 250h
Safety Recall Notice
Noncompliance with Fuel System Integrity Standard**

Sample

[VIN]

Dear Lexus Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Lexus has decided that certain 2010 Model Year Lexus HS 250h vehicles fail to conform to Federal Motor Vehicle Safety Standard (FMVSS) No. 301, Fuel system integrity.

What is the condition?

After having been struck from the rear at a speed of 50 miles per hour in a test under the provisions of FMVSS No. 301, a 2010 Model Year Lexus HS 250h vehicle leaked more fuel than allowed by the standard when it was rotated on to its driver's side. This occurred because interaction with a body panel edge during the test caused deformation of the fuel cap. If the vehicle is involved in a rear end collision where the fuel cap is damaged and the vehicle rolls over, fuel spillage may occur. Fuel spillage in the presence of an ignition source may lead to a vehicle fire.

What will Lexus do?

Any authorized Lexus dealer will install a newly designed Fuel Cap/Inlet Pipe Protector (Protector) at **NO CHARGE** to the vehicle owner.

What should you do?

This is an important Safety Recall

Please contact your authorized Lexus dealer to install the newly designed Protector as soon as possible. The repair will take approximately half an hour. However, depending upon the dealer's work schedule, it may be necessary for you to make your vehicle available for a longer period of time.

We request that you present this notice to the dealer at the time of your service appointment.

If you would like to update your vehicle ownership or contact information, you may do so by registering at www.lexus.com/owners. You will need your full 17-digit Vehicle Identification Number (VIN) to input the new information.

What if you have other questions?

Please visit <http://www.lexus.com/recall> for further information. Your local Lexus dealer will be more than happy to answer any of your questions as well. If you require further assistance, you may contact the **Lexus Customer Assistance Center at 1-800-255-3987** Monday through Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am through 4:00 pm Pacific Standard Time.

If you believe that the dealer or Lexus has failed or is unable to remedy the defect within a reasonable time, you may submit a complaint to the Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590; or call the toll-free Vehicle Safety Hotline at 1-888-327-4236 (TTY: 1-800-424-9153) or go to <http://www.safercar.gov>.

If you are a vehicle lessor, Federal law requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the vehicle lessee within ten days.

We have sent this notice in the interest of your continued satisfaction with our products.

Sincerely,
Lexus Division
TOYOTA MOTOR SALES, U.S.A., INC.