CLEXUS

November 2, 2015

Subject: Safety Recall FLE (F2E) - *Interim Notice* Certain 2013 - 2015 Model Year ES 350 and ES 300h Vehicles Pre-Collision System (PCS)

On November 3, 2015, Lexus will file a Defect Information Report (DIR) with the National Highway Traffic Safety Administration informing the agency of our intent to conduct a voluntary Safety Recall on certain 2013 – 2015 Model Year ES 350 and ES 300h vehicles.

<u>Condition</u>

In certain driving situations, the optional Pre-Collision System (PCS), on the involved vehicles could interpret a steel road joint or steel plate in the road surface as an obstacle or vehicle in the path of travel and activate. When the system activates, the vehicle's brakes are applied automatically, the system activates Brake Assist mode, and the front seat belts may tighten. The driver will hear a warning buzzer, the PCS indicator lamp will illuminate, and a message will appear on the multi-information display.

Interim Remedy

As an interim remedy, any authorized Lexus dealer will turn off the PCS system and affix a notification label to the vehicle informing the customer that their PCS system has been turned off as a *temporary remedy* at *NO CHARGE* to the vehicle owner. *Lexus expects to begin the interim remedy during the week of November 9, 2015.* Lexus will provide an update to dealers when the interim remedy is ready. The final remedy will involve new PCS components to enhance the system's detection capability under certain conditions.

Covered Vehicles

There are approximately 6,100 2013 - 2015 model year ES 350 and ES 300h vehicles covered by this Safety Recall.

Model Name	Model Year	Production Period	UIO
ES 350	Certain 2013-2015	Mid-June 2012 to Early July 2015	3,600
ES 300h	Certain 2013-2015	Mid-June 2012 to Early July 2015	2,500

Owner Letter Mailing Date

Owners of the vehicles covered by this Safety Recall will receive an interim owner notification letter via first class mail starting in mid-November, 2015.

The repair and owner mailing plan for the final remedy is currently under development, once the plan has been determined, Lexus will provide an update to dealers.

Lexus makes significant effort to obtain current customer name and address information from each state through industry resources when mailing owner letters. In the event your dealership receives a notice for a vehicle that was sold prior to the Safety Recall announcement, it is the dealership's responsibility to forward the owner letter to the customer who purchased the vehicle.

Please note that only owners of the covered vehicles will be notified. If you are contacted by an owner who has not yet received a notification, please *verify eligibility by confirming through TIS prior to performing repairs*. Dealers should perform the repair as outlined in the Technical Instructions found on TIS.

New Vehicles in Dealership Inventory

There are approximately 100 vehicles in new dealer inventory.



Under Title 49, Section 30112(a) of the United States Code, a dealer cannot sell, offer for sale, or introduce or deliver for introduction in interstate commerce a new motor vehicle when it is aware that the vehicle does not comply with an applicable Federal Motor Vehicle Safety Standard. In addition, 49 Code of Federal Regulations §577.13 requires us to provide the following advisory: It is a violation of Federal law for a dealer to deliver a new motor vehicle or any new or used item of motor vehicle equipment (including a tire) covered by this notification under a sale or lease until the defect or noncompliance is remedied.

Vehicle Safety Recall completion should always be verified through TIS. We request your assistance to ensure involved vehicles are identified and not delivered prior to performing the remedy.

Inspection Reminder Mirror Hang Tags for Covered Vehicles in New Dealer Stock

Please reference the VIN list provided by your Area Office to identify new vehicles in dealer inventory involved in this Safety Recall. Inside the vehicle's glove box are stickers containing the VIN. Apply one of these stickers to the hang tag and install the hang tag in the vehicle. A sample copy of the Inspection Reminder Hang Tag has been included for your reference.



Note: Dealerships can order Hang Tags from the Material Distribution Center (MDC).

Material Number	Description	Quantity Per Pack
00241-INSPT	Inspection Mirror Hang Tag	25/pack

Pre-Owned Vehicles in Dealer Inventory

Lexus requests that dealers do not deliver any pre-owned vehicles in dealer inventory that are covered by a Safety Recall unless the defect has been remedied.

Also, as a reminder, Lexus L/Certified policy prohibits the certification of any vehicle with an outstanding Special Service Campaign or Safety Recall. Thus, no affected units should be sold or delivered as an L/Certified vehicle until the Safety Recall has been completed on that vehicle.

LCCS Vehicles

Lexus requests that dealers take any affected LCCS vehicle out of service until the interim remedy procedure is completed.

Also to further assist dealers, a member of your Area Office will provide a list of VIN's that our records show to be in your dealership's new vehicle, pre-owned vehicle or LCCS inventory.

Rental Vehicles

If a customer contacts your dealership and does not feel comfortable driving their vehicle, advise that they should turn off the system by depressing the PCS Cancel switch located in the glove box. This deactivates the PCS system only, all other braking and safety systems will continue to operate normally. If a customer still does not feel comfortable driving his/her vehicle, dealers may provide a rental vehicle until the interim remedy can be performed on the vehicle. Operation Codes for dealership rental reimbursement are currently being prepared; details on claim filing will be provided with the interim remedy details.

Warranty Reimbursement Procedure

Warranty reimbursement procedures are currently under development; once the plan has been determined, Lexus will provide an update to dealers.

Media Contacts

It is imperative that all media contacts (local and national) receive a consistent message. In this regard, all media contacts must be directed to Cindy Knight (310) 468-2170 in Toyota Corporate Communications. (Please do not provide this number to customers. Please provide this contact to only media associates.)

Customer Contacts

Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or Safety Recall remedy. Please welcome them to your dealership and answer any questions that they may have. A Q&A is provided to assure a consistent message is communicated.

Customers with additional questions or concerns are asked to please 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 to 4:00 pm Pacific Time.

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

Thank you for your cooperation.

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

Attachment

CC: Customer Satisfaction Manager General Manager Parts Manager Pre-owned Manager Service Manager Warranty Administrator

Safety Recall FLE (Interim F2E) - *Interim Notice* Certain 2013 - 2015 Model Year ES 350 and ES 300h Vehicles Pre-Collision System (PCS)

Frequently Asked Questions Published November 2, 2015

Background

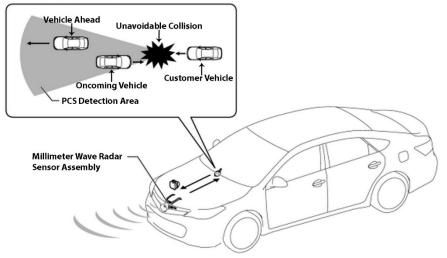
On November 3, 2015, Lexus will file a Defect Information Report (DIR) with the National Highway Traffic Safety Administration informing the agency of our intent to conduct a voluntary Safety Recall on certain 2013 - 2015 Model Year ES 350 and ES 300h vehicles.

Q1: What is the condition?

A1: In certain driving situations, the optional Pre-Collision System (PCS), on the involved vehicles could interpret a steel road joint or steel plate in the road surface as an obstacle or vehicle in the path of travel and activate. When the system activates, the vehicle's brakes are applied automatically, the system activates Brake Assist mode, and the front seat belts may tighten. The driver will hear a warning buzzer, the PCS indicator lamp will illuminate, and a message will appear on the multi-information display.

Q1a: What is the function of the Pre-Collision System?

A1a: The Pre-Collision System detects potential collisions with obstacles like vehicles ahead or objects in the roadway using a forward looking millimeter wave radar and inputs from other vehicle sensors. When the system's Electronic Control Unit (ECU) detects a potential collision, brakes are automatically applied and the front seat belts may tighten.

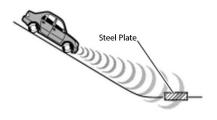


Q2: Are there any warnings that this condition exists?

A2: If PCS activation occurs, the customer may notice a warning buzzer before braking. This and other unique road conditions that might result in unexpected PCS activation are described in the Owner's Manual. http://drivers.lexus.com/lexusdrivers/info/my-lexus/resources/owners-manual-search.do

Q3: What is the cause of this condition?

A3: The system, under certain road conditions and vehicle orientation to the road surface while in motion, may activate PCS. See the example illustration.



Q4: What is Lexus going to do?

A4: As an interim remedy, any authorized Lexus dealer will turn off the PCS system and affix a notification label to the vehicle informing the customer that the PCS system has been turned off as a *temporary remedy* at *NO CHARGE* to the vehicle owner. *Lexus expects to begin this interim remedy during the week of November 9, 2015.* The final remedy will involve new PCS components to enhance the system's detection capability under certain conditions.

Q5: Which and how many vehicles are covered by this campaign?

A5: There are approximately 6,100 2013 - 2015 model year ES 350 and ES 300h vehicles covered by this Safety Recall.

Model Name	Model Year	Production Period	UIO
ES 350	Certain 2013-2015	Mid-June 2012 to Early July 2015	3,600
ES 300h	Certain 2013-2015	Mid-June 2012 to Early July 2015	2,500

Q5a: Are there any other Lexus/Toyota/Scion vehicles covered by this Safety Recall in the U.S.?

A5a: Yes, approximately 24,700 2013 – 2015 model year Toyota Avalon and Avalon Hybrid vehicles are also covered by this Safety Recall.

Q5b: Why are other vehicles with PCS not involved?

A5b: Other Lexus and Toyota vehicles equipped with PCS do not have the same drive and handling characteristics or vehicle body dimensional characteristics; newer generation systems are of a different design. Therefore, other Lexus and Toyota vehicles are not included in this recall.

Q6: What if a customer is uncomfortable driving his/her vehicle?

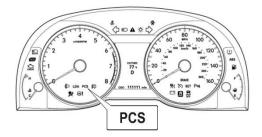
A6: Customers should first turn off the PCS system by pressing the PCS CANCEL switch located in the glove box. This will only deactivate the PCS function. If a customer still does not feel comfortable driving his/her vehicle, they may contact an authorized Lexus dealer. The dealer will provide a rental vehicle until the interim remedy can be performed on their vehicle.

Q7: If the PCS system is turned off, are any other safety systems affected or disabled?

A7: No, no other systems will be affected.

Q8: When the PCS system is turned off, which warning lamps are illuminated?

A8: The PCS warning light on the instrument cluster will illuminate.



Q9: What should an owner do if they experience this condition?

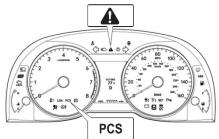
A9: If a driver notices a warning buzzer and vehicle deceleration without pushing the brake pedal, but does not recognize any obstacles or risks ahead, continue driving normally. During PCS activation, if the brake pedal is applied, PCS will cause greater deceleration.

Q10: Which warning lamps are illuminated on the instrument panel when the PCS system is activated?

A10: The PCS indicator lamp and the master warning light will illuminate.

Q10a: Are there any other indications when the PCS system is activated?

A10a: A warning buzzer will sound.



Q11: Does this condition affect other pre-collision or safety systems on the vehicle?

A11: No, this does not affect other systems.

Q12: What if I previously paid for repairs related to this campaign?

A12: Reimbursement consideration instructions will be provided in the remedy owner letter.

Q13: How does Lexus obtain my mailing information?

A13: Lexus uses an industry provider who works with each state's Department of Motor Vehicles (DMV) to receive registration or title information, based upon the DMV records. Please make sure your registration or title information is correct.

Q14: What if I have addition questions or concerns?

A14: If you have additional questions or concerns, please 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 to 4:00 pm Pacific Time.