CLEXUS

April 5, 2016

To:

All Lexus Dealer Principals, General Managers, Sales Managers, Service Managers and Parts Managers

Subject: Safety Recall GLC (G2C) - *Interim Notice* Certain 2016 ES 350 and RX 350 Vehicles Brake Actuator

On April 6, 2016, Lexus will file a Non-compliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety (Non-compliance) Recall on certain 2016 model year ES 350 and RX 350 vehicles.

<u>Condition</u>

The subject vehicles are equipped with a Brake Actuator assembly that enables enhanced brake control functions including the Anti-lock Braking System (ABS), Traction Control (TRAC), and Vehicle Stability Control (VSC), among others. There is a possibility that a component inside the actuator could have been damaged during manufacturing, preventing the actuator from operating properly. This could cause the vehicles not to comply with a portion of Federal Motor Vehicle Safety Standard (FMVSS) 126, and result in a loss of vehicle stability control, increasing the risk of crash.

In addition, other features including Electronic Brake force Distribution (EBD), Brake Assist (BA), Hill-start Assist Control (HAC), Pre-Collision System (PCS)*, Dynamic Radar Cruise Control System*, and Trailer Sway Control*, may not function as designed.

* If equipped

Lexus is currently preparing the remedy parts for this condition and will provide additional information as it becomes available. We will notify dealerships again prior to the remedy owner notification starting. The remedy, when available, will include an inspection of the ABS actuator. If affected, the ABS actuator will be replaced at **No Charge** to the vehicle owner.

Covered Vehicles

There are approximately 12,500 vehicles covered by this Safety (Noncompliance) Recall in the U.S.

Model	Model Year	Production Period	Approx. UIO
ES350	Certain 2016	Early September, 2015 – Late February, 2016	12,400
RX350	Certain 2016	Late October, 2015 - Early February, 2016	100

New Vehicles in Dealership Inventory

There are approximately 2,500 vehicles in new dealer inventory.



Under Title 49, Section 30112 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 or contains a defect related to motor vehicle safety. 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

To easily recognize vehicles involved in this Safety (Non-compliance) Recall, each dealership should utilize Inspection Reminder Hang Tags. 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).

Part Number	Description	Quantity
00241-INSPT	Inspection Mirror Hang Tag	25 Per 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, 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 until the Safety Recall has been completed on that vehicle.

Loaner/Rental Vehicle

If a customer contacts your dealership and does not feel comfortable driving his/her vehicle, please accommodate the customer by providing a loaner/rental vehicle. A loaner/rental vehicle can be claimed for \$45 per day for a maximum of 4 days. Per day expense exceeding \$45 or loaners exceeding 4 days, requires DSPM authorization.

Rental reimbursement will be provided once the remedy becomes available and can be claimed when submitting the remedy repair warranty claim.

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 the Safety (Non-compliance) Recall. 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 (1-800-255-3987).

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 (Noncompliance) Recall.

Thank you for your cooperation.

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

Attachment

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

CLEXUS

Safety (Non-compliance) Recall GLC (G2C) - Interim Notice Certain 2016 Model Year ES 350 and RX 350 Vehicles Brake Actuator

Frequently Asked Questions Published April 5, 2016

Q1: What is the condition?

A1: The subject vehicles are equipped with a Brake Actuator assembly that enables enhanced brake control functions including the Anti-lock Braking System (ABS), Traction Control (TRAC), and Vehicle Stability Control (VSC), among others. There is a possibility that a component inside the actuator could have been damaged during manufacturing, preventing the actuator from operating properly. This could cause the vehicles not to comply with a portion of Federal Motor Vehicle Safety Standard (FMVSS) 126, and result in a loss of vehicle stability control, increasing the risk of crash.

In addition, other features including Electronic Brake force Distribution (EBD), Brake Assist (BA), Hill-start Assist Control (HAC), Pre-Collision System (PCS)*, Dynamic Radar Cruise Control System*, and Trailer Sway Control*, may not function as designed.

* If equipped

Q1a: What is the requirement of FMVSS 126?

A1a: FMVSS 126 specifies vehicle Electronic Stability Control Systems performance requirements.

Q1b: What is ABS?

A1b: The Anti-Lock Braking System (ABS) manages the brake force at each wheel during braking to help prevent or minimize wheel lock up, maximizing stopping performance under a variety of driving and road surface conditions.

Q1c: What is TRAC?

A1c: The Traction Control (TRAC) system helps minimize the slippage of the drive wheels if the driver depresses the accelerator pedal excessively when accelerating on a low traction road surface.

Q1d: What is VSC?

A1d: The Vehicle Stability Control (VSC) system assists the driver in maintaining directional control of the vehicle by applying individual brake pressure to the appropriate wheels and managing engine output.

Q1e: What is EBD?

A1e: The Electronic Brake force Distribution (EBD) system helps distribute brake force between each wheel in accordance with the driving conditions to minimize wheel slippage during braking.

Q1f: What is BA?

A1f: The Brake Assist (BA) system provides an increased level of braking force after the brake pedal is depressed when the system detects a panic stop situation.

Q1g: What is HAC?

A1g: The Hill-start Assist Control (HAC) system maintains brake hydraulic pressure to all 4 wheels in order to momentarily help prevent the vehicle from descending backwards.

Q1h: What is PCS?

A1h: The Pre-Collision System (PCS) helps determine the possibility of a frontal collision with a vehicle or pedestrian. If the likelihood is determined to be extremely high, the PCS applies the brakes or provides brake assistance.

Q1i: What is Dynamic Radar Cruise Control?

A1i: The Dynamic Radar Cruise Control System automatically accelerates and decelerates to match the speed changes of the preceding vehicle. If determined that a large deceleration is required based on the distance of the preceding vehicle and the relative vehicle speed, the Dynamic Radar Cruise Control System will apply the brakes or provide brake assistance.

Q1j: What is Trailer Sway Control?

A1j: The Trailer Sway Control system helps the driver to control trailer sway by selectively applying brake pressure for individual wheels.

Q2: What is Lexus going to do?

A2: <u>Lexus is currently preparing the remedy for this condition</u>. Once preparations are complete, Lexus will send an owner notification letter by first class mail to owners of vehicles covered by this Safety (Noncompliance) Recall.

The remedy, when available, will include an inspection of the ABS actuator. If affected, the ABS actuator will be replaced at **No Charge** to you.

Q2a: When does Lexus anticipate the remedy will be available?

A2a: Lexus is currently working on obtaining the remedy for this Safety (Noncompliance) Recall and will provide additional information as it becomes available.

Q3: Are there any warnings or indicators of this condition?

A3: No. There are no advanced warnings prior to the existence of this condition.

Q3a: What if I experience this condition before the remedy is available?

A3a: If you experience this condition, please contact your local authorized Lexus dealer for diagnosis. If the condition is related to this Safety (Noncompliance) Recall, the repair will be performed at **No Charge** to you.

Q3b: Can my vehicle be driven if this condition occurs on my vehicle?

A3b: Yes, the vehicle can still be driven, as the *standard braking system remains operational* even if you experience the described condition. However, as the enhanced functions (ABS, TRAC, and VSC) may not operate properly, Lexus requests that you use caution while driving, especially under adverse weather conditions.

Q4: Which and how many vehicles are covered by this Safety (Non-compliance) Recall?

A4: There are approximately 12,500 vehicles covered by this Safety (Noncompliance) Recall in the U.S.

Model	Model Year	Production Period	Approx. UIO
ES350	Certain 2016	Early September, 2015 – Late February, 2016	12,400

RX350 Certain 2016 Late October, 2015 – Early February, 2016 100
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Q4a: Are there any other Toyota, Lexus, or Scion vehicles covered by this Safety (Noncompliance) Recall in the U.S.?

A4a: Yes. There are approximately 4,200 certain 2016 model year Toyota RAV4 vehicles covered by this Safety (Non-compliance) Recall in the U.S.

Q5: How does Lexus obtain my mailing information?

A5: 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.

Q6: What if I have additional questions or concerns?

A6: 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.