

Originally Published: December 1, 2017

Subject: Safety Recall HLE (H2E) - Remedy Notice

Certain 2010 Model Year HS 250h Hybrid Vehicle Transaxle Replacement

On October 4, 2017, 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 2010 model year HS 250h vehicles.

Condition

A manufacturing issue in an electric motor in the involved vehicles' hybrid drivetrain may cause components to wear, leading to a potential short circuit. This condition will illuminate warning lights and warning messages. In most cases, the vehicle will enter a fail-safe mode, resulting in reduced propulsion and allowing the vehicle to be driven safely for a limited distance. Under rare conditions, the hybrid system could shut down. While power steering and braking assist will function normally, a hybrid system shut down while driving at higher speeds could increase the risk of a crash.

Remedy

Any Lexus dealer will replace the hybrid vehicle transaxle with a new one at no cost to customers.

Covered Vehicles

There are approximately 18,100 vehicles covered by this Safety Recall. Approximately 30 vehicles involved in this Safety Recall were distributed to Puerto Rico.

Model Name	Model Year	Production Period
HS 250h	2010	Late January 2009 - Early September 2010

Owner Letter Mailing Date

Lexus will begin to notify owners in late November. A sample of the owner notification letter has been included for your reference.

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.

Pre-Owned Vehicles in Dealer Inventory

To ensure customer satisfaction, Lexus requests that dealers complete this Safety Recall on any used vehicles currently in dealer inventory that are covered by this Safety Recall prior to customer delivery. However, if the campaign cannot be completed (for example, due to remedy parts availability), delivery of a covered vehicle is acceptable if disclosed to the customer that the vehicle is involved in a Safety Recall.

Lexus expects dealers to use the attached Pre-Owned Customer Contact and Vehicle Disclosure Form to obtain vehicle buyer information. Dealers are expected to provide a copy of the completed form, along with the most current_FAQ, to the vehicle buyer. Lexus and the dealer may use this information to contact the customer when the remedy becomes available.

Keep the completed form on file at the dealership and send a copy to quality_compliance@toyota.com. In the subject line of the email state "Disclosure Form HLE" and include the VIN. DO NOT forget to attach the disclosure form to the dealer package.

NOTE: Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily (https://dealerdaily.lexus.com/).

L/Certified Vehicles

L/Certified policy prohibits the certification of any vehicle with an outstanding Safety Recall, Special Service Campaign, or Limited Service Campaign. Thus, no affected units are to be designated, sold, or delivered as L/Certified until all applicable Safety Recalls, Special Service Campaigns, and Limited Service Campaigns have been completed on that vehicle.

LCCS Service Loaners

Lexus requests that dealers remove all LCCS vehicles from service that are covered by a Safety Recall unless the defect has been remedied.

Technician Training Requirements

The repair quality of covered vehicles is extremely important to Lexus. All dealership technicians performing this recall are required to successfully complete the most current version of the E-Learning course "Safety Recall and Service Campaign Essentials" as well as instructor led course Lo71 Lexus Hybrid. To ensure that all vehicles have the repair performed correctly; technicians performing this recall repair are required to currently hold at least one of the following certification levels:

- Senior
- Master
- Master Diagnostic Technician

It is the dealership's responsibility to select technicians with the above certification level or greater to perform this recall repair. Carefully review your resources, the technician skill level, and ability before assigning technicians to this repair. It is important to consider technician days off and vacation schedules to ensure there are properly trained technicians available to perform this repair at all times.

Vehicles Emission Recall Proof of Correction Form (California only)

As this Safety Recall includes emission related parts, California dealers are requested to fill out the Vehicle Emissions Recall - Proof of Correction form after repairs have been completed. The vehicle owner may require this form for vehicle registration renewal. It is important to note that the forms are an official state document and blank forms must be secured

to prevent misuse. Booklets can be ordered from the MDC (material

number 00410-92007).

Please complete the form and provide it to the owner. The first non-completed VINs will be submitted to the California state DMV by December 31, 2017. If the vehicle owner's warranty claim will not be processed and paid prior to this date, please be sure to complete a form and provide it to a California owner.



Remedy Procedures

Refer to TIS for Technical Instructions on repair. Conduct all non-completed Safety Recalls and Service Campaigns on the vehicle during the time of appointment.

Repair Quality Confirmation

The repair quality of covered vehicles is extremely important to Lexus. To help ensure that all vehicles have the repair performed correctly, please designate at least one associate (someone other than the individual who performed the repair) to verify the repair quality of every vehicle prior to customer delivery.

Parts Ordering Process

Note that the transaxle assemblies will not be stocked at local PDCs; they will be shipped directly from an offsite storage facility located in Texas or California, depending on the dealer's location. The transaxle repair kits will be stocked through the local PDCs, and will likely arrive before the transaxle assemblies.

Due to potentially limited availability, the parts may have been placed on either Manual Allocation Control (MAC) or Dealer Ordering Solutions (DOS). As the parts inventory changes, the ordering process may change. Please check the Lexus Special Activities MAC/DOS report on Dealer Daily for the most up-to-date parts ordering information.

Part Number	Description	Quantity
04005-04175	Transaxle Assy, Hybrid Vehicle	1
04005-24175	Repair Kit, HV Transaxle	1
00272-SLLC2	Super Long Life Coolant	1.2 qts
00289-ATFWS	Automatic Transmission Fluid-WS	3.8 qts

NOTE: Due to the weight of the Hybrid Transaxle, please ensure you handle these parts with caution.

Campaign Special Service Tools

The SSTs below were provided to your dealership at the launch of the remedy in November 2017. This tool is being introduced to assist technicians when performing the repair.

Name	Sample Image	Qty.
HV Transaxle Hanger	Ø x 2	1
HV Transaxle Hanger	€ x 4	1
Nut Grip Socket		1
Guide Bolts		1
No.1 & No.2 Engine Hanger	8 & x 2	1
Front Crossmember Guide Tool		1

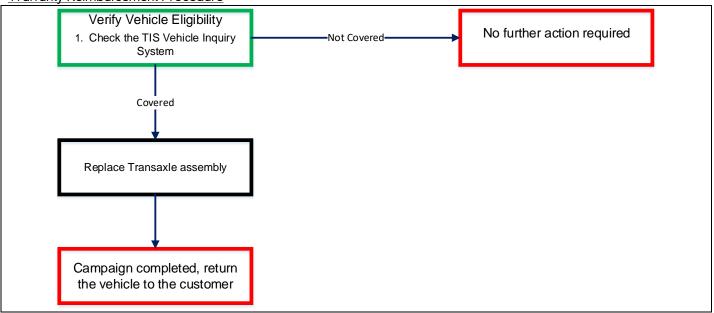
Long Term Alternate Transportation Reimbursement Procedure

Alternate transportation can be claimed up to \$45 per day.

Op. Code	Description
HLELGW	Vehicle Rental 1-30 Days
HLELGX	Vehicle Rental 31-60 Days

NOTE: Rental invoice *MUST* be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.

Warranty Reimbursement Procedure



Opcode	Description	Flat Rate Hours
GGG79A	Replace the hybrid vehicle transaxle	8.7

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- Dealers may claim the cost for automatic transmission fluid and super long life coolant under op code GGG79A at a maximum rate of \$75.12 per vehicle as sublet type "OF."
- Towing can be claimed under Op. Code GGG79A for a maximum of \$250 as sublet type "TW" in the event the customer requested vehicle pickup.

Lexus' usual customer care amenities of car wash and fuel fill-up apply to this Safety Recall. Additionally, two days of rental vehicle expense (to a maximum of \$45) while the vehicle is being remedied <u>or</u> the cost of pick-up and delivery of the customer's car may be claimed if required and subject to the guidelines published in the Safety Recall and Special Service Campaign General Procedures document on TIS.

Claim Filing Accuracy and Correction Requests

It is the dealer's responsibility to file claims correctly for this Safety Recall. This claim filing information is used by Lexus for various government reporting activities; therefore, claim filing accuracy is crucial. If it has been identified that a claim has been filed using an incorrect opcode or a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin PRO17-03 to correct the claim.

Customer Reimbursement

Reimbursement consideration instructions will be included in the owner letter.

Media Contacts

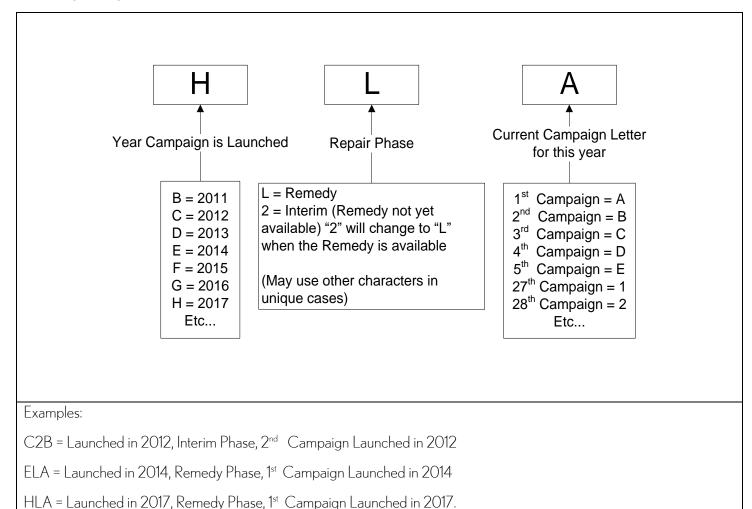
It is imperative that all media contacts (local and national) receive a consistent message. In this regard, all media contacts must be directed to Victor Vanov (469) 292-1318 in Toyota Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media.

Customer Contacts

Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or the Safety 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 Guest Experience Center (1-800-255-3987) - Monday through Friday, 7:00 am to 8:00 pm, Saturday 7:00 am to 5:00 pm Central Standard Time.

Campaign Designation Decoder



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.

Lexus, a Division of Toyota Motor North America, Inc.

Attachment

CC: Customer Satisfaction Manager

Dealer Principal
General Manager
Parts Manager
Pre-owned Manager
Service Manager
Warranty Administrator



Safety Recall HLE - Remedy Notice
Certain 2010 Model Year HS 250h
Hybrid Vehicle Transaxle Replacement

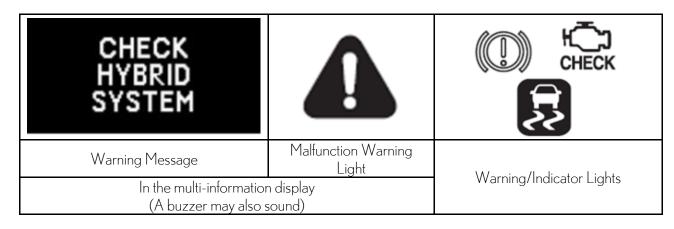
Frequently Asked Questions
Original Publication Date: December 1, 2017

Q1: What is the condition?

A1: A manufacturing issue in an electric motor in the involved vehicles' hybrid drivetrain may cause components to wear, leading to a potential short circuit. This condition will illuminate warning lights and warning messages. In most cases, the vehicle will enter a fail-safe mode, resulting in reduced propulsion and allowing the vehicle to be driven safely for a limited distance. Under rare conditions, the hybrid system could shut down. While power steering and braking assist will function normally, a hybrid system shut down while driving at higher speeds could increase the risk of a crash.

Q2: Are there any warnings or symptoms of this condition?

A2: If the condition occurs, the Malfunction Indicator Lamp (MIL), the Master Warning Light, and/or the "Check Hybrid System" warning message may illuminate. These warnings may also be accompanied by buzzer sounds.



If you experience these warnings, you should safely pull over at the first available opportunity and call for assistance. Your vehicle may be operating in fail-safe mode, which only allows the vehicle to be driven safely for a limited distance.

Q3: What is Lexus going to do?

A3: Lexus will send an owner notification by first class mail starting in late November, 2017, advising owners to make an appointment with their authorized Lexus dealer to have the hybrid vehicle transaxle replaced at *NO CHARGE*.

NOTE (Customers who live in the state of California)

The state of California requires the completion of Safety Recalls / Service Campaigns on emission related parts prior to vehicle registration renewal. In addition, the State requires that every vehicle must pass an emission test (SMOG Check) every two years and before it is sold. Without the completion of this *NO CHARGE* Safety Recall the California Air Resources Board (CARB) will not allow your vehicle to be registered. State of California Regulations require Lexus to provide the Department of Motor Vehicles with a record of all vehicles that have not had the Safety Recall or completed.

Your Lexus dealer will provide you with a Vehicle Emissions Recall Proof of Correction Form after the campaign has been completed. Please ensure you retain this form, because the DMV may require that you supply proof that the campaign has been completed during your vehicle registration renewal process.

Q4: Which and how many vehicles are covered by this Safety Recall?

A4: There are approximately 18,100 vehicles covered by this Safety Recall.

Model Name	Model Year	Production Period
HS 250h	2010	Late January 2009 - Early September 2010

Q3a: Are there any other Lexus/Toyota/Scion vehicles covered by this Safety Recall in the U.S.?

A3a: No, there are no other Lexus/Toyota/Scion vehicles covered by this Safety Recall.

Q5: How long will the repair take?

A5: The repair takes approximately 9 hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q6: What if I previously paid for repairs related to this Safety Recall?

A6: Reimbursement consideration instructions will be provided in the owner letter.

Q7: How does Lexus obtain my mailing information?

A7: 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.

Q8: What if I have additional questions or concerns?

A8: If you have additional questions or concerns, please contact the Lexus Guest Experience Center at 1-800-255-3987 Monday through Friday, 7:00 am to 8:00 pm, Saturday 7:00 am to 5:00 pm Central Standard Time.

Certain 2010 Model Year HS 250h Hybrid Vehicle Transaxle Replacement IMPORTANT SAFETY RECALL (*Remedy Notice*)

This notice applies to your vehicle: [VIN]
NHTSA Recall No. 17V-619

URGENT SAFETY RECALL

This is an important Safety Recall.
The remedy will be performed at
NO CHARGE to you.

Dear Lexus Customer:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Lexus has decided that a defect, which relates to motor vehicle safety, exists in certain 2010 Model Year HS 250h Vehicles.

You received this notice because our records, which are based primarily on state registration and title data, indicate that you are the current owner.

What is the condition?

A manufacturing issue in an electric motor in the involved vehicle's hybrid drivetrain may cause components to wear, leading to a potential short circuit. Under specific conditions, the hybrid system could shut down. While power steering and braking assist will function normally, a hybrid system shut down while driving at higher speeds could increase the risk of a crash.

What will Lexus do?

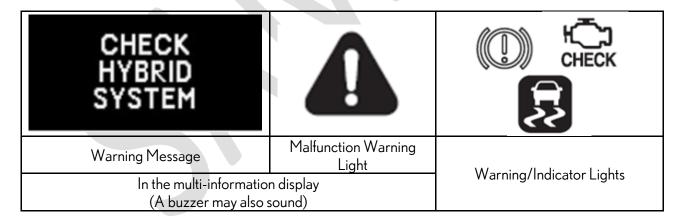
Any authorized Lexus dealer will replace the hybrid vehicle transaxle at **NO CHARGE** to you.

What should you do?

This is an important Safety Recall

Please contact any authorized Lexus dealer to schedule an appointment to have the remedy performed as soon as possible.

If the condition occurs, the Malfunction Indicator Lamp (MIL), the Master Warning Light, and/or the "Check Hybrid System" warning message may illuminate. These warnings may also be accompanied by buzzer sounds.



If you experience these warnings, you should safely pull over at the first available opportunity and call for assistance. Your vehicle may be operating in fail-safe mode, which only allows the vehicle to be driven safely for a limited distance.

The remedy will take approximately 9 hours However, depending on the dealer's work schedule, it may be necessary to make your vehicle available for a longer period of time.

What if you live in California and don't have this Safety Recall Campaign performed?

The state of California requires the completion of Safety Recalls / Service Campaigns on emission related parts prior to vehicle registration renewal. In addition, the State requires that every vehicle must pass an emission test (SMOG Check) every two years and before it is sold. Without the completion of this **NO CHARGE** Safety Recall Campaign the California Air Resources Board (CARB) will not allow your vehicle to be registered. State of California Regulations require Lexus to provide the Department of Motor Vehicles with a record of all vehicles that have not had the Safety Recall Campaign completed.

Your Lexus dealer will provide you with a Vehicle Emissions Recall Proof of Correction Form after the campaign has been completed. Please ensure you retain this form, because the DMV may require that you supply proof that the campaign has been completed during your vehicle registration renewal process.

What if you have previously paid for repairs to your vehicle for this specific condition?

If you have previously paid for repair to your vehicle for this specific condition prior to receiving this letter, please mail a copy of your repair order, proof-of-payment and ownership information to the following address for reimbursement consideration:

Lexus A Division of Toyota Motor North America, Inc. P O Box 259001 – SSC/CSP Mail Drop E3-2D Plano, TX 75025-9001

What if you have other questions?

- Your local Lexus dealer will be more than happy to answer any of your questions.
- If you require further assistance, you may contact the Lexus Customer Assistance Center at 1-800-255-3987 Monday through Friday, 7:00 am to 8:00 pm, Saturday 8:00 am to 5:00 pm Central 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 Hot Line at 1-888-327-4236 (TTY: 1-800-424-9153), or go to http://www.safercar.gov.

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

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 lessee within ten days.

We have sent this notice in the interest of your continued satisfaction with our products, and we sincerely regret any inconvenience this condition may have caused you.

Thank you for driving a Lexus.

Sincerely,

LEXUS, A DIVISION OF TOYOTA MOTOR SALES, U.S.A., INC.