

IMPORTANT UPDATE

The attached Dealer Letter has been updated. Refer to the details below.

DATE	ΤΟΡΙΟ
6/16/2022	Updated Remedy

The most recent update in the attached Dealer Letter will be highlighted with a red box.

Please review this notification with your staff to assure that all relevant personnel have been briefed regarding this subject.

Thank you for your cooperation.



Original Publication Date: April 13, 2022

To:

All Lexus Dealer Principals, General Managers, Service Managers, Warranty Administrators, and Parts Managers

YRECALL 22LAO2 (Remedy Notice)

Certain 2022 Model Year NX 250, NX 350, NX 350H, NX 450H Potentially Missing Spot-Welds

Model / Years	Production Period	Approximate Total Vehicles	Approximate Stop Sale Dealer Inventory
2022 NX 250	Late May2021 – Late January 2022	600	1
2022 NX 350	Early April 2021 – Late January 2022	2500	10
2022 NX 350H	Early April 2021 – Late January 2022	800	0
2022 NX 450H+	Early April 2021 – Late January 2022	400	1



STOP! DO NOT SELL NEW VEHICLES IN DEALER INVENTORY. Refer to Dealer Inventory Procedures section for more details.

On April 13, 2022, Lexus will file 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 2022 model year NX model vehicles.

Condition

The front shock absorbers in the affected vehicles are mounted to body panels that may be missing some spot-welds. Incorrect welding could eventually cause a shock absorber to separate from the mounting area, resulting in a loss of driving stability and increasing the risk of a crash.

Remedy

For all involved vehicles, Lexus dealers will inspect the welding near the shock absorber mounting area. For vehicles with missing spot welds, additional welds will be added to the body panel(s) FREE OF CHARGE. If the inspection determines that any welds on the right or left body panel have failed, the body panel with the failed weld(s) will be replaced with a new body panel FREE OF CHARGE.

Covered Vehicles

There are approximately 4,300 vehicles covered by this Safety Recall. Approximately 70 vehicles involved in this Safety Recall were distributed to Puerto Rico.

Owner Letter Mailing Date

Lexus will notify owners by the middle of June 2022.

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.

Dealer Inventory Procedures

New Vehicles in Dealership Inventory

There are approximately 12 vehicles in new dealer inventory as of April 12, 2022.



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. Further, 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.

Lexus reimburses dealers for flooring costs associated with new vehicles held in dealership inventory until the recall remedy becomes available. Lexus provides these flooring reimbursements at 60-day intervals. Lexus reserves the right to withhold or charge-back any flooring reimbursement funds that may have been paid to the dealer if it determines that a new vehicle subject to a safety recall was sold without first being 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.

NOTE:

- New vehicles in dealer inventory subject to a Safety Recall must be remedied before delivery into commerce under a sale or lease. Dealer-to-dealer trades as well as vehicle sales between dealers should not be made until a vehicle is remedied.
- Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily. The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

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

To easily recognize vehicles involved in this Safety 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

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 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 22LA02" and include the VIN.

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. The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

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 an L/Certified vehicle 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 Service Loaner vehicles from service that are covered by a Safety Recall unless the defect has been remedied.

Customer Handling, Parts Ordering, and Remedy Procedures

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 Brand Engagement Center (800-255-3987) -Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.

Salvage Title Vehicles

Every attempt should be made to complete an open Safety Recall when circumstances permit, unless noted otherwise in the Safety Recall dealer letter.

For complete details on this policy, refer to Lexus Warranty Policy <u>4.17</u>, "What Is Not Covered by The Lexus New Vehicle Limited Warranty".

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 Aaron Fowles (469) 292-1097 in Lexus Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media.

Technician Training Requirements

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

• L623 - Lexus Electrical circuit Diagnosis

Always check which technicians can perform the repair by logging on to <u>https://www.LCTPReports.com</u>. It is the dealership's responsibility to select technicians with the above certification level or greater to perform this 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.

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 Recovery Procedures

All parts replaced as part of this Safety Recall must be turned over to the parts department until appropriate disposition is determined. The parts department must retain these parts until notification via the Parts Recovery System (PRS) is received indicating whether to ship or scrap the parts. These parts are utilized by various departments for defect analysis, quality control analysis, product evaluation, as well as other purposes.

To help minimize dealer storage challenges, Lexus recommends that dealers:

- File the campaign claim accurately and promptly. The time a dealer is required to hold parts is based on when the campaign claim is paid by Lexus.
- Monitor the Warranty Parts Recovery Notifications and Part Scrap Report regularly.

Refer to Warranty Policies <u>9.3 and 9.6</u> for additional details.

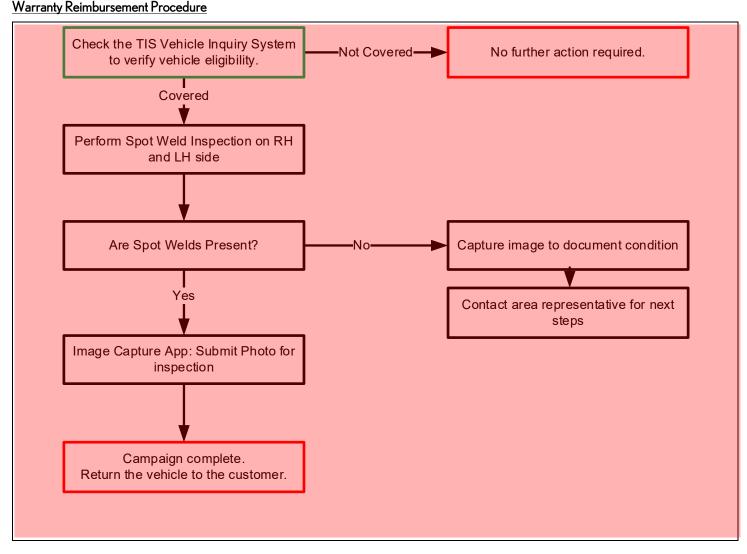
Warranty Reimbursement Procedures

A loaner vehicle or alternative transportation can be claimed for \$45 per day.

Op Code	Description
22LAA1	Vehicle Rental 1-30 Days
22LAA	Vehicle Rental 31-60 Days

NOTE:

- For rentals that exceed the maximum number of allowable days and/or dollars per day, DSPM authorization is required.
- Rental invoice MUST be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.



Op Code	Description	Flat Rate Hours
22LAOA	Inspect the spot welds (Pictures required)	0.2
Contact Area Rep	Vehicle Weld Repair	Contact Area Rep

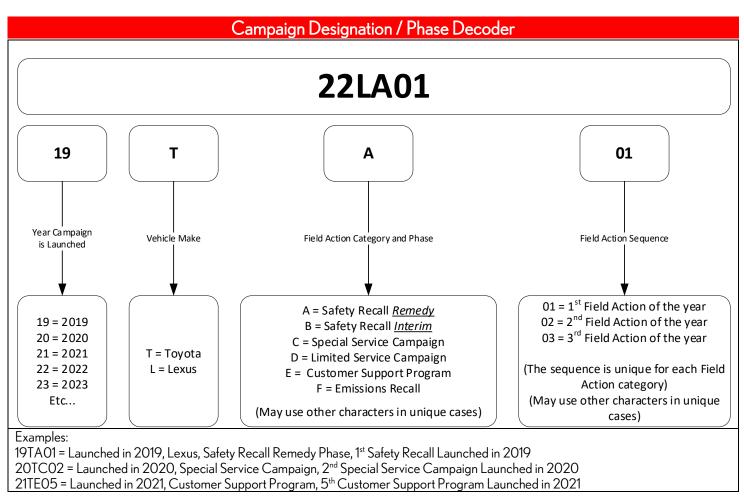
- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- Lexus' usual customer care amenities of car wash and fuel fill-up apply to this Safety Recall. Additionally, a maximum of two days of rental vehicle expense (at a maximum rate of \$45.00 per day) while the vehicle is being remedied under any of the Op Codes listed above, or the cost of pick-up and redelivery 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.
 - For rentals that exceed the maximum number of allowable days and/or dollars per day, DSPM authorization is required.
 - Rental invoice MUST be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.
 - All warranty claims require pictures of LH & RH spot weld locations with claim, use of the warranty Image Capture application is highly recommended.

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 Op Code or a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin <u>PRO17-03</u> to correct the claim.

Customer Reimbursement

Reimbursement consideration instructions will be included in the owner letter.



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, U.S.A., INC.



SAFETY RECALL 22LA02 (Remedy)

Certain 2022 Model Year NX 250, NX 350, NX 350H, NX450H+ Potentially Missing Spot-Welds

Frequently Asked Questions Original Publication Date: April 13, 2022

Q1: What is the condition?

A1: The front shock absorbers in the affected vehicles are mounted to body panels that may be missing some spot-welds. Incorrect welding could eventually cause a shock absorber to separate from the mounting area, resulting in a loss of driving stability and increasing the risk of a crash.

- Q1a: If the condition exists, are there any symptoms/warnings that drivers might experience?
- A1a: Initially, a driver may not experience any symptoms/warnings if the vehicle does not have the proper spot welding. Over time, cracks and breakage may occur on other spot-welds and/or on the body panels around the front shock absorber mounting areas, leading to abnormal steering feeling. Under longer-term (time and mileage) use, this could eventually cause a front shock absorber to separate from the mounting area, creating an abnormal noise, and resulting in a loss of vehicle driving stability.

Q2: What is Lexus going to do?

A3:

A2: For all involved vehicles, Lexus dealers will inspect the welding near the shock absorber mounting area. For vehicles with missing spot welds, additional welds will be added to the body panel(s) *FREE OF CHARGE*. If the inspection determines that any welds on the right or left body panel have failed, the body panel with the failed weld(s) will be replaced with a new body panel *FREE OF CHARGE*.

Q3: Which and how many vehicles are covered by this Safety Recall?

There are approximately 4,300 vehicles covered by this Safety Recall. Approximately 70 vehicles involved in this Safety Recall were distributed to Puerto Rico.

Model Name	Model Year	Production Period
NX 250	2022	Late May2021 – Late January 2022
NX 350	2022	Early April 2021 – Late January 2022
NX 350H	2022	Early April 2021 – Late January 2022
NX 450H+	2022	Early April 2021 – Late January 2022

Q4: How long will the inspection take?

A4: The inspection takes approximately 45 minutes. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

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 Brand Engagement Center at 800-255-3987 Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.



Lexus, A Division of Toyota Motor Sales, USA, Inc. 6565 Headquarters Drive Plano, TX 75024 (469) 292-4000

CUSTOMER CONTACT & VEHICLE DISCLOSURE FORM

This form is not applicable for new vehicles in dealership inventory and L/Certified units.

This vehicle is involved in a Safety Recall. At this time, <u>the remedy is not available</u> and the remedy has *NOT* been performed. I understand that the vehicle will need to be returned to an authorized Lexus dealer to have the remedy performed at *NO CHARGE* when the remedy is available.

Customer Signature

Lexus recommends that you register with the Lexus Drivers Community at http://www.lexus.com/drivers/ and regularly check recall applicability using www.lexus.com/recall or www.lexus.com/drivers/ and regularly check recall applicability using www.lexus.com/drivers/ applicability using www.lexus.com/drivers/ and regularly check recall applicability using www.lexus.com/drivers/ applicability using www.lexus.com/drivers/ applicability using www.lexus.com/drivers/ applicability using www.lexus.com/drivers/ appli

Model	Model Year	
Customer Information		
Customer Name		Customer Email
Customer Address		Home Phone #
		Mobile Phone #
		Date
	ommunications. If you'd like to update	u when the remedy becomes available. This information will your preferred contact information in the future, visit
Dealer Information		
Dealer Name/Address		Dealer Code
		Dealer Phone Number

Dealer Staff Name

Dealer Staff Signature