



December 15, 2014

To: Lexus Area General Managers

From: Don Fordiani, National Field and Dealer Operations Manager

Subject: Warranty Enhancement Program - ZLE (Phase 1 - Reimbursement Only)
Certain 2010 - 2012 HS 250h Vehicles
Extension of Warranty Coverage for 2AZ Engine Oil Consumption

As part of our continual efforts to ensure the best in customer satisfaction, Lexus is preparing a Warranty Enhancement Program to extend warranty coverage to address customer complaints of Excessive Engine Oil Consumption on certain 2010 - 2012 HS 250h vehicles equipped with a 2AZ engine.

This warranty Enhancement Program will be launched in two phases due to current part production capacity limitations. Initially, Lexus will inform owners that they may seek reimbursement consideration for previous repairs to address excessive engine oil consumption. Once sufficient parts are produced, Lexus will send a second owner notification letter to customers informing them they may seek part replacement if their vehicle has excessive engine oil consumption.

Phase	Description	Tentative Schedule
1	Reimbursement Only	Mid-December, 2014
2	Part Replacement for Excessive Engine Oil Consumption	Late Spring, 2015

The following important information is provided to advise you and your associates of the program notification schedule and the degree of your involvement. Additionally, an FAQ covering details of this Warranty Enhancement Program is enclosed for your reference.

Dealer Letter Mailing Date

The attached Dealer Letter will be e-mailed to all Lexus dealers on December 16, 2014.

Owner Notification Mailing Date

The Phase 1 owner notification will commence in mid-December, 2014 and will be mailed over one month. We have attached a sample owner letter for your reference.

The first owner notification letter will advise customers that they may seek reimbursement consideration for previous repair costs related to excessive engine oil consumption. The letter will also inform customers that Lexus is unable to support part replacement for Engine Oil Consumption at this time. Additionally, owners will be advised that if they believe their vehicle has excessive engine oil consumption, they can contact an authorized Lexus dealer to have an engine oil consumption test performed to determine if they will be eligible for future part replacement once sufficient parts are available. Once sufficient parts are produced, Lexus will send a second owner notification informing customers they may seek part replacement if the vehicle is exhibiting excessive engine oil consumption.

Warranty Enhancement Program Details

This Warranty Enhancement Program provides a Primary and Secondary coverage extension to the vehicle's "New Vehicle Limited Warranty" for part replacement related to Excessive Engine Oil Consumption. If the condition is verified, necessary parts will be replaced in accordance with the applicable Technical Service Bulletin under the terms of this Warranty Enhancement Program.

- The **Primary Coverage** offers warranty enhancement until October 31, 2016, regardless of mileage.
- After the Primary Coverage period ends, **the Secondary Coverage** is applicable for 10 years from the date of first use or 150,000 miles, whichever occurs first.

This coverage is for warranty work performed at an authorized Lexus dealer only. It is subject to the same terms and conditions set forth in the New Vehicle Limited Warranty Section of the Owner's Warranty Information booklet. For example, damage from abuse, an accident, theft and/or vandalism is not covered by the New Vehicle Limited Warranty or this warranty enhancement.

Number of Vehicles Covered

There are approximately 20,990 2010 - 2012 HS 250h vehicles covered by this Warranty Enhancement Program.

Please review this entire Warranty Enhancement Package with the appropriate associates so that they may provide the necessary support to your dealers and maximize our combined customer satisfaction efforts.

Thank you for your continued support and cooperation.

Attachments

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