10-26-16: Technician requirements and parts order processes have been updated.



September 11, 2015

Subject: Warranty Enhancement Program - ZLD Phase 2, 3 & 4 - Part Replacement Available for all Models

> 2007 - 2008 Model Year ES 350 2003 - 2008 Model Year GX 470 2006 - 2008 Model Year IS 250/350 2007 Model Year LS 460 2004 - 2006 Model Year RX 330 2007 - 2009 Model Year RX 350 2005 - 2008 Model Year RX 400h Extension of Warranty Coverage for Cracked and/or Sticky/Melting Dashboards (Instrument Panels) as a Result of Heat or Humidity

Dear Dealer Principal:

In our continuing efforts to ensure the best in customer satisfaction, Lexus announced a Warranty Enhancement Program (the "Program"). This Program extends the warranty coverage for repairs related to cracked and/or sticky/melting Dashboards (Instrument Panels) as a result of heat or humidity on 2007-2008 model year ES 350, 2003-2008 model year GX 470, 2006-2008 model year IS 250/350, 2007 model year LS 460, 2004-2006 model year RX 330, 2007-2009 model year RX 350, and 2005-2008 model year RX 400h vehicles.

NOTE: The same Warranty Enhancement Program coverage described herein is also applicable to 2006 - 2008 Model Year IS 250/350 and 2007 Model Year LS 460 vehicles for cracked and/or sticky/melting front and rear interior door panels as a result of heat or humidity.

In mid-December, 2014, Lexus announced the reimbursement phase of this Program. Since prior to that announcement, Lexus has been diligently making parts preparations for the parts replacement phase of this Program. Due to the age, volume, and breadth of the covered vehicles subject to the Program and the size and complexity of dashboard manufacturing, Lexus will be launching the part replacement portion of this Program in several phases; please refer to the table below for part replacement model phasing.

Phase	Model	Description	Current Mailing Schedule
1	All	Reimbursement	Mid-December, 2014
2	ES 350		Late May, 2015
3	RX 330/350/450h and GX 470	Part Replacement	Late July, 2015
4	IS 250/350 and LS 460		September , 2015

Although Lexus is increasing production levels, it is difficult to predict customer demand and where parts need to be shipped to support customer demand. It is important that dealerships explain to customers that there still may be a period of time the customer will need to wait before part replacement can be performed. Please be sure to take this into consideration when performing customer scheduling.

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.

Owner Notification Letter Mailing Date

The first owner notification letter was sent in mid-December, 2014 advising owners that they could seek reimbursement consideration for previous repair costs for cracked and/or sticky/melting dashboards, and if applicable front and rear interior door panels, as a result of hear or humidity. A sample copy of the owner notification letter is enclosed for your reference.

Lexus will now begin notifying owners regarding the part replacement phase of this Program in accordance with the table below. This mailing schedule is based upon the part build rate and anticipated quantities required for each model. A sample copy of the owner notification letter is enclosed for your reference.

Phase	Model	Tentative Owner Letter Start	Planned Duration of Owner Letter Mailing
		Timing	
2	ES 350	Late May, 2015	2 Month Mailing
3	RX	Late July, 2015	6 Month Mailing
5	GX		4 Month Mailing
4	IS	Santanah an 2015	3 Month Mailing
4	LS September, 2015	1 Month Mailing	

Please Note: Dashboards and front and rear interior door panels can become cracked and/or sticky/melted over time for a number of different reasons and under a number of different circumstances. If the Dashboard and/or front or rear interior door panel has become cracked and/or sticky/melted as a result of heat or humidity, the repair will be performed at **no charge** as soon as parts become available.

Warranty Enhancement Program Details

This Warranty Enhancement Program provides a Primary and Secondary coverage for your vehicle's "New Vehicle Limited Warranty" as it applies to the Dashboard. The specific condition covered by this program is any cracked and/or sticky/melted Dashboard as a result of heat or humidity for any covered vehicle. If the condition is verified, the repair will be performed in accordance with the applicable TSB under the terms of this Warranty Enhancement Program.

NOTE: The same Warranty Enhancement Program coverage described herein is also applicable to 2006 - 2008 Model Year IS 250/350 and 2007 Model Year LS 460 vehicles for cracked and/or sticky/melting front and rear interior door panels as a result of heat or humidity.

- The Primary Coverage offers warranty enhancement until <u>May 31, 2017, regardless of mileage or date of</u> <u>first use of the vehicle.</u>
- Secondary Coverage supplements the Primary Coverage for some owners by offering the warranty enhancement described herein for <u>10 years from the date of first use of the vehicle, regardless of mileage.</u> For instance, if you own a 2009 RX 350 that was first used on January 1, 2010, you are entitled to the warranty enhancement through January 1, 2020.

Please note that this coverage is for warranty repair performed at an authorized Lexus dealer only. A maximum of one dashboard replacement can be performed, if eligible, under this Warranty Enhancement Program. Likewise, a maximum of one replacement for each front and rear interior door panel for 2006-2008 Model Year IS 250/350 and 2007 Model Year LS 460 vehicles can be performed, if eligible, under this Warranty Enhancement Program.

This Warranty Enhancement Program is subject to the same terms, conditions, and limitations set forth in the New Vehicle Limited Warranty Section of the Owner's Warranty Information booklet, with the exception of the warranty enhancement coverage for this specific condition. For example, damage from abuse, accident, theft, and/or vandalism is not covered by the New Vehicle Limited Warranty or this warranty enhancement. To the extent your New Vehicle Limited Warranty has expired, it is being extended only as to the specific condition and parts identified above, subject to the terms, conditions, and limitations in that Warranty.

Number of Vehicles Covered

There are approximately 1.1 million vehicles covered by this Warranty Enhancement Program. Please verify coverage by confirming through TIS.

Please refer to Warranty Policy Bulletin (Bulletin No. POL14-03) for identification of vehicles covered by this Warranty Enhancement.

Warranty Claim Processing Instructions

Please refer to Warranty Policy Bulletin (Bulletin No. POL14-03) for warranty claim processing instructions. *All parts replaced are subject to warranty parts recovery.*

Technical Instructions (Repair Procedures)

Technical instructions can be found in the applicable Technical Service Bulletin (TSB), please refer to the table below for additional TSB information.

Model	TSB Number
ES 350	
RX 330/350/400h	L-SB-0011-15
GX 470	
IS 250/350	L-SB-0041-15
LS 460	L-3D-0041-13

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 <u>at least one</u> of the following certification levels:

- Certified Tech with L623 (with 18 months experience)
- Senior Service Tech
- Senior Diagnostic Specialist
- Master Service Tech
- Master Diagnostic Specialist

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.

Parts Ordering for the Covered Condition

If a customer experiences the condition described, dealers should conduct appropriate diagnosis and order the applicable parts.

Refer to Warranty Policy Bulletin POL14-03 for detailed parts ordering information.

Dealers are requested to only order parts for vehicles experiencing this condition. DO NOT ORDER FOR STOCK.

Due to the logistics challenges associated with these dashboard assemblies, please be advised of the following parts order processes specific to this program:

For dealers facing out of the Atlanta, Orlando, or Dallas PDCs:

- Use "N" (holiday) order type for all orders.
- Parts orders will be received into the system on Monday and dropped for processing on Tuesdays. For Southern Area dealers facing out of the above PDCs, a dedicated attended delivery route will deliver parts to dealers once a week, Tuesday through Saturday, between 7:00 AM and 5:00 PM.
- For non-Southern Area dealers facing out of the Dallas PDC, orders will be received into the system on the day they are ordered and shipped with their normal stock order. Dedicated dash deliveries separate from your daily order may be scheduled in the future.
- Lexus will be unable to accept any requests for additional parts or parts deliveries, NO EXCEPTIONS.

For dealers facing out of the Los Angeles, San Francisco, Chicago, Boston or New York PDCs:

• Use "L" (Lexus Priority) order type for all orders.

 Lexus will be unable to accept any requests for additional parts or parts deliveries, NO EXCEPTIONS.

Customer Reimbursement Procedures

Please refer to the attached owner letter for reimbursement consideration instructions.

Please review this entire package with your associates to familiarize them with the proper procedures to implement this Warranty Enhancement Program.

Thank you for your continued support and cooperation.

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

Attachments

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



Warranty Enhancement Program - ZLD Phase 2, 3 & 4- Part Replacement for all Models

2007 - 2008 Model Year ES 350 2003 - 2008 Model Year GX 470 2006 - 2008 Model Year IS 250/350 2007 Model Year LS 460 2004 - 2006 Model Year RX 330 2007 - 2009 Model Year RX 350 2005 - 2008 Model Year RX 400h

Cracked and/or Sticky/Melting Dashboards (Instrument Panels) as a Result of Heat or Humidity

BACKGROUND

In our continuing efforts to ensure the best in customer satisfaction, Lexus announced a Warranty Enhancement Program (the "Program"). This Program extends the warranty coverage for repairs related to cracked and/or sticky/melting Dashboards (Instrument Panels) as a result of heat or humidity on 2007-2008 model year ES 350, 2003-2008 model year GX 470, 2006-2008 model year IS 250/350, 2007 model year LS 460, 2004-2006 model year RX 330, 2007-2009 model year RX 350, and 2005-2008 model year RX 400h vehicles.

NOTE: The same Warranty Enhancement Program coverage described herein is also applicable to 2006 - 2008 Model Year IS 250/350 and 2007 Model Year LS 460 vehicles for cracked and/or sticky/melting front and rear interior door panels as a result of heat or humidity.

Q1: What is the condition?

A1: Lexus has received reports indicating that under certain circumstances, a combination of high humidity and high temperatures may cause the surface of the Dashboard on the vehicles identified above to become cracked and/or sticky/melted over time. Often times, those vehicles are out of warranty. This cosmetic condition is corrected by replacing the affected Dashboard.

Although the Dashboard is covered by the Lexus' New Vehicle Limited Warranty for 4 years or 50,000 miles (whichever occurs first), we at Lexus care about our customers' overall ownership experience. To ensure our customers' satisfaction, we have offered an extension of the warranty coverage for this particular condition, even for vehicles that are out of warranty.

Please Note: Dashboards can become cracked and/or sticky/melted over time for a number of different reasons and under a number of different circumstances. If the Dashboard has become cracked and/or sticky/melted as a result of heat or humidity, the repair will be performed at **no charge** as soon as parts become available.

Q2: What is Lexus going to do?

A2: In mid-December, 2014, Lexus announced the reimbursement phase of this Program. Since prior to the announcement of the Program, Lexus has been diligently making parts preparations for the parts replacement phase of this Program. Due to the number, age, and breadth of the covered vehicles subject to the Program and the size and complexity of dashboard manufacturing, Lexus will be launching the part replacement portion of this program in several phases; please refer to the table below for part replacement model phasing.

Phase	Model	Description	Tentative Mailing Schedule
1	All	Reimbursement	Mid-December, 2014
2	ES 350		Late May, 2015
3	RX 330/350/450h and GX 470	Part Replacement	Late July, 2015
4	IS 250/350 and LS 460		September, 2015

Although Lexus is increasing production levels, it is difficult to predict customer demand and where parts need to be shipped to support customer demand. Please be sure to take this into consideration when scheduling customers. It is important that dealerships explain to customers that there still may be a period of time the customer will need to wait before part replacement can be performed.

Q2a: How will the owner notification for parts replacement phases be conducted?

A2a: Lexus will begin notifying owners regarding the part replacement phase of this Program in accordance with the table below. This mailing schedule is based upon the part build rate and anticipated quantities required for each model.

Phase	Model	Tentative Owner Letter Start Timing	Planned Duration of Owner Letter Mailing
2	ES 350	Late May, 2015	2 Month Mailing
0	RX	Late July, 2015	6 Month Mailing
GX GX	GX	Late July, 2015	4 Month Mailing
IS IS		September, 2015	3 Month Mailing
4	LS	September, 2015	1 Month Mailing

Q3: Which vehicles are covered by this Warranty Enhancement Program?

A3: There are approximately 1.1 million vehicles covered by this Warranty Enhancement.

Model	Model Year	Production Period	Appx. UIO
ES 350	2007-2008	Early March 2006 - Late March 2008	175,800
GX 470	2003-2008	Late October 2002 – Late December 2007	156,200
IS 250/350	2006-2008	Late August 2005 – Late March 2008	146,000
LS 460	2007	Early September 2006 – Late February 2007	19,000
RX 330	2004-2006	Mid-February 2003 - Mid-February 2006	285,800
RX 350	2007-2009	Mid-January 2006 - Mid-January 2009	233,100
RX 400h	2005-2008	Late July 2004 - Late March 2008	66,300

Q3a: Are there any other Toyota, Lexus or Scion vehicles covered by this Warranty Enhancement Program?

A3a: Yes. Certain 2003-2005 model year 4Runner, 2005-2010 model year Avalon, 2007-2011 model year Camry/Camry HV, 2004-2010 model year Sienna and 2004-2008 model year Solara vehicles are also covered by this Warranty Enhancement Program.

Q4: What are the coverage details of this Warranty Enhancement Program?

A4: This Program provides a Primary and Secondary coverage for your vehicle's "New Vehicle Limited Warranty" as it applies to the Dashboard. The specific condition covered by this Program is any cracked and/or sticky/melting Dashboard as a result of heat or humidity for any covered vehicle. If the condition is verified, the repair will be performed in accordance with the applicable TSB under the terms of this Warranty Enhancement Program.

NOTE: The same Warranty Enhancement Program coverage described herein is also applicable to 2006 - 2008 Model Year IS 250/350 and 2007 Model Year LS 460 vehicles for cracked and/or sticky/melting front and rear interior door panels as a result of heat or humidity..

- The Primary Coverage offers warranty enhancement until May 31, 2017, regardless of mileage or date of first use of the vehicle.
- Secondary Coverage supplements the Primary Coverage for some owners by offering the warranty enhancement described herein for <u>10 years from the date of first use of the vehicle, regardless of mileage.</u> For instance, if you own a 2009 RX 350 that was first used on January 1, 2010, you are entitled to the warranty enhancement through January 1, 2020.

Please note that this coverage is for warranty repair performed at an authorized Lexus dealer only. A maximum of one dashboard replacement can be performed, if eligible, under this Warranty Enhancement Program.

This Warranty Enhancement Program is subject to the same terms, conditions, and limitations set forth in the New Vehicle Limited Warranty Section of the Owner's Warranty Information booklet, with the exception of the warranty enhancement coverage for this specific condition. For example, damage form abuse, accident, theft, and/or vandalism is not covered by the New Vehicle Limited Warranty or this warranty enhancement. To the extent your New Vehicle Limited Warranty has expired, it is being extended only as to the specific condition and parts identified above, subject to the terms, conditions, and limitations in that Warranty.

Q5: What should I do if my vehicle has a cracked and/or sticky/melting dashboard?

A5: If your vehicle has the condition described above, please contact your local authorized Lexus dealership. Once the condition is verified, the repair will be performed in accordance with the applicable Technical Service Bulletin under the terms of this Warranty Enhancement Program. Although Lexus has been diligently preparing replacement parts, you may need to wait

additional time before a replacement part can be obtained and installed in your vehicle, given the size and complexity of dashboard manufacturing, the age, volume, and breadth of the vehicles subject to the Program, and the difficulty in predicting customer demand. We apologize for any inconvenience this may cause and thank you for your patience.

Q6: What if an owner has NOT experienced this condition but would like to have the parts replaced?

A6: This Warranty Enhancement Program only applies to vehicles that have exhibited the condition described above. If an owner has not experienced the condition, he/she is asked to apply the warranty enhancement notification sticker to the Owner's Warranty Information Booklet for future reference.

Q7: How long will the warranty work take?

A7: If the condition is present on your vehicle, the warranty work will take approximately 4 hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time. Additionally, due to the size of the dashboard the dealer will receive a special delivery schedule for dashboard assemblies. Please work with your local Lexus dealer to schedule the best time to have the replacement part installed in your vehicle.

Q8: What if I have previously paid for repairs to my vehicle for this condition?

A8: If you have previously paid for repairs to address this specific condition, please refer to the owner letter for reimbursement consideration instructions.

Q9: What if I have additional questions or concerns?

A9: 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 through 4:00 pm Pacific Time.