

April 19, 2016

To: All Dealer Principals, General Managers, Service Managers, and Parts Managers

Subject: Warranty Enhancement Program - ZLG

Certain 2006 - 2007 GS 430, 2007 - 2011 GS 450h, 2008 - 2011 GS 460,

2007 - 2012 LS 460, and 2006 - 2008 RX 400h Vehicles Extension of Warranty Coverage for Brake Actuator Assembly

In our continuing efforts to ensure the best in customer satisfaction, Toyota is announcing a Warranty Enhancement Program to extend the warranty coverage for the Brake Actuator Assembly on certain 2006 - 2007 GS 430, 2007 - 2011 GS 450h, 2008 - 2011 GS 460, 2007 - 2012 LS 460, and 2006 - 2008 RX 400h Vehicles.

Background

In these vehicles, Lexus has received some reports where various brake system related warning lamps illuminate due to internal malfunctions of the Brake Actuator assembly.

Although the Brake Actuator Assembly is covered by Lexus' New Vehicle Limited Warranty for 4 years or 50,000 miles (whichever comes first), we at Lexus care about the customers' ownership experience. Lexus is now extending the warranty coverage for repairs related to internal malfunctions of the Brake Actuator Assembly.

The following information is provided to inform you and your staff of the program notification schedule and your degree of involvement.

Warranty Enhancement Program Details

This Warranty Enhancement Program provides enhanced coverage to the vehicle's "New Vehicle Limited Warranty" as it applies to the Brake Actuator Assembly. The specific condition covered by this program are repairs related to an internal malfunction of the Brake Actuator Assembly. If the condition is verified, the vehicle will be repaired with a new Brake Actuator Assembly at **no charge** under the terms of this Warranty Enhancement Program.

- The *Primary Coverage* offers warranty enhancement until December 31, 2017, regardless of mileage.
- After the Primary Coverage end, 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 Manual Supplement/Warranty and Services Guide 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.

Owner Letter Mailing Date

Lexus will begin to notify owners in late April, 2016 and notifications will be mailed over several months. A sample of the owner notification letter has been included for your reference.

Number and Identification of covered Vehicles

There are approximately 196,000 Vehicles covered by this Warranty Enhancement Program.

Please refer to Warranty Policy Bulletin (<u>Bulletin No. POL16-01</u>) for identification of vehicles covered by this Warranty Extension.

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:

- Senior Service Technician
- Master Service Technician

Always check which technicians can perform the repair by logging on to https://www.uotdealerreports.com. 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.

Claims for repairs that were performed by non-qualified technicians are subject to debit.

Remedy Procedures

Technical instructions for this warranty extension program can be found in L-SB-0016-16.

Parts Ordering Process

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 MAC/DOS report posted in the Lexus Customer Services website accessed via Dealer Daily for the most up-to-date parts ordering information.

As this is an extension of the warranty, most customers will only request reimbursement from TMS for past replacements; dealers should not increase their stock of related repair parts. *Dealers are requested to only order parts for vehicles experiencing this condition only. DO NOT ORDER FOR STOCK.* As always, if a customer experiences the condition described, dealers should conduct appropriate diagnosis and order the applicable parts.

Refer to Warranty Policy Bulletin WPB#: POL16-01 for additional parts ordering information.

Warranty Reimbursement Procedure

Refer to the Warranty Policy Bulletin (<u>Bulletin No. POL16-01</u>) for warranty claim processing instructions. *All parts replaced for this repair are subject to warranty part recovery.*

Customer Reimbursement

Refer to the attached owner letter for reimbursement consideration instructions.

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 Warranty Extension Program.

As part of our dedication to continuous improvement, changes have been incorporated in the production process to ensure the highest quality products are provided to our customers.

Thank you for your cooperation.

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

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



Warranty Enhancement Program - ZLG Certain 2006 - 2007 GS 430, 2007 - 2011 GS 450h, 2008 - 2011 GS 460, 2007 - 2012 LS 460, and 2006 - 2008 RX 400h Vehicles Extension of Warranty Coverage for Brake Actuator Assembly

Frequently Asked Questions Published April 19, 2016

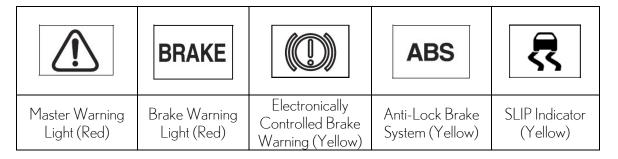
Q1: What is the condition?

A1: In these vehicles, Lexus has received some reports where various brake system related warning lamps illuminate due to internal malfunctions of the Brake Actuator assembly.

Although the Brake Actuator Assembly is covered by Lexus' New Vehicle Limited Warranty for 4 years or 50,000 miles (whichever comes first), we at Lexus care about the customers' ownership experience. Lexus is now extending the warranty coverage for repairs related to internal malfunctions of the Brake Actuator Assembly.

Q1a: Which Brake System Warning Indicators may be related to these conditions?

A1a: If the following warning lamps are illuminated, the vehicle may be experiencing a concern with the Brake Actuator Assembly that is covered by this warranty enhancement.



Please note: It is possible for the lights above to be illuminated and the condition not be related to this warranty enhancement program.

Q2: What is Lexus going to do?

A2: Owners of vehicles covered by this Warranty Enhancement Program will receive an owner letter via first class mail starting in late April, 2016.

If the owner experiences the condition described above, they should contact their local authorized Lexus dealership for diagnosis. If the condition is verified, the dealer will replace the Brake Actuator Assembly with a new one at **NO CHARGE** to the customer under the terms and conditions of this warranty enhancement program.

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

There are approximately 196,000 Vehicles covered by this Warranty Enhancement Program.

Model Name	Model Year	Production Period	UIO
GS 430	2006 -2007	Late September, 2004 through Mid-September, 2007	7,700
GS 450h	2007 - 2011	Late September, 2005 through Late August, 2011	5,400
GS 460	2008 - 2011	Late August, 2007 through Late August, 2011	1,800
LS 460	2007 - 2012	Early May, 2006 through Early July, 2012	102,000
RX 400h	2006 - 2008	Late July, 2004 through Early December, 2008	79,100

Q3a: Are there any other Lexus/Toyota/Scion vehicles covered by this Warranty Enhancement Program in the

АЗа: Yes, there are approximately 736,000 Toyota Vehicles Covered by this Warranty Enhancement Program.

Model Name	Model Year	Appx. UIO
Highlander Hybrid	2006-2007	66,200
Prius	2004 - 2009	669,700

Q4: What are the details of this coverage?

A3:

A4: This Warranty Enhancement Program provides enhanced coverage to the vehicle's "New Vehicle Limited Warranty" as it applies to the Brake Actuator Assembly. The specific condition covered by this program are repairs related to an internal malfunction of the Brake Actuator Assembly. If the condition is verified, the vehicle will be repaired with a new Brake Actuator Assembly at no charge under the terms of this Warranty Enhancement Program.

- The *Primary Coverage* offers warranty enhancement until December 31, 2017, regardless of mileage.
- After the Primary Coverage end, 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 Manual Supplement/Warranty and Services Guide 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.

Q5: Which part(s) are covered by this Warranty Enhancement Program? A5:

The specific components(s) covered by this warranty extensions are as follows:

Brake Actuator Assembly

Q6: What should an owner do if they experience this condition?

A6: If an owner thinks that they have experienced the condition described in this Warranty Enhancement Program, they should contact their local Lexus dealer for appropriate diagnosis and repair. If the condition is verified as being in accordance with the terms of the warranty extension, the repair will be performed at **no charge** under the terms and conditions of this warranty enhancement program.

Q7: What if the dealer performs diagnosis and determines that the vehicle does not have the condition covered by this Warranty Enhancement Program?

A7: The warning lights can be triggered due to conditions detected not specific to the brake actuator assembly. These additional conditions may require diagnosis or repairs not specifically covered by this Warranty Enhancement. Please be aware that, if the condition is not covered by this warranty enhancement, you may be responsible for the initial diagnostic fees and any other repairs you may decide to have performed. Any authorized Lexus Dealership can determine if a condition is covered by this Warranty Enhancement.

Q8: What if an owner HAS NOT experienced this condition but would like to have the repair completed?

A8: 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 Owners Warranty Information Booklet for future reference.

Q9: How long will the repair take?

A9: The repair takes approximately 2.5 hours for GS and LS vehicles and approximately 1.5 hours for RX vehicles; however, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q10: What if I previously paid for repairs related to this Warranty Enhancement Program?

A10: Reimbursement consideration instructions will be provided in the owner letter.

Q11: How does Lexus obtain my mailing information?

A11: 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.

Q12: What if I have additional questions or concerns?

A12: If you have additional questions or concern, please contact the Lexus Customer Assistance Center at 1-800-255-3987 Monday - Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am to 4:00 pm Pacific Time.

Re: <VIN>

Dear Lexus GS. LS or RX Owner:

At Lexus, we are dedicated to providing vehicles of outstanding quality and value. As part of our continual efforts to ensure customer satisfaction, Lexus would like to advise you of an enhancement to portions of your Lexus' New Vehicle Limited Warranty. Lexus has received some reports where various brake system related warning lamps illuminate due to internal malfunctions of the Brake Actuator assembly.

Please Note: The warning lights can be triggered due to conditions detected not specific to the brake actuator assembly. These additional conditions may require diagnosis or repairs not specifically covered by this Warranty Enhancement. Please be aware that, if the condition is not covered by this warranty enhancement, you may be responsible for the initial diagnostic fees and any other repairs you may decide to have performed. Any authorized Lexus Dealership can determine if a condition is covered by this Warranty Enhancement.

While the majority of vehicles will not experience this Brake Actuator condition, to assure you that we stand behind our product, we are offering the following New Vehicle Warranty Extension:

What should you do?

Please apply the sticker below to your Owner's Manual Supplement/Warranty and Services Guide booklet for future reference. If you have not experienced illumination of various brake system related warning lamps*there is no action necessary at this time.

*Please refer to owner FAQ for warning lamps related to this condition

Warranty Enhancement Program Details

This Warranty Enhancement Program provides enhanced coverage to the vehicle's "New Vehicle Limited Warranty" as it applies to the Brake Actuator Assembly. The specific condition covered by this program are repairs related to an internal malfunction of the Brake Actuator Assembly. If the condition is verified, the vehicle will be repaired with a new Brake Actuator Assembly at no charge under the terms of this Warranty Enhancement Program*.

- The Primary Coverage offers warranty enhancement until December 31, 2017, regardless of
- After the Primary Coverage end, the *Secondary Coverage* is applicable for 10 years from the date of first use, or 150,000 miles, whichever occurs first.

Please note that this coverage is for warranty work performed at an authorized Lexus dealer only.

ent Program is limited to your specific vehicle whose Vehicle Identification Number (VIN) is printed below and is subject to the same terms and conditions set borth in the New Vehicle Limited Warranty Section of your Owner's Manual Supplement/Warranty and Services Guild 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.

* Please see your Lexis dealer for additional details.

* Please see your Lexus dealer for additional details

VII V #	
Date of First Use:_	

If you experience either of these conditions, please contact any authorized Lexus dealer and make arrangements for diagnosis and, if applicable, repair.

If you would like to update your vehicle ownership or contact information, please go to www.Lexus.com/Drivers. You will need your full 17-digit Vehicle Identification Number (VIN) to input the new information.

If you have previously paid for repairs related to one or both of these conditions, please mail a copy of your repair order, proof-of-payment, and proof-of-ownership to the following address for reimbursement consideration:

> Lexus, a Division of Toyota Motor Sales, USA, Inc. Lexus Customer Assistance Center L201 19001 South Western Avenue Torrance, CA 90509

*Please refer to the attached Reimbursement Checklist for required documentation details.

We have sent this notice in the interest of your continued satisfaction with our products.

Sincerely,

Lexus, a Division of Toyota Motor Sales, U.S.A., Inc.

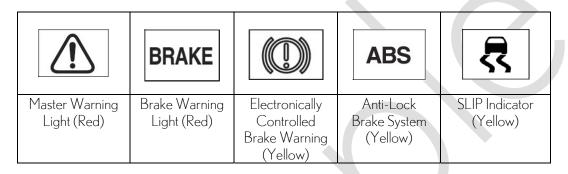
Peel and Stick Label onto the Owner's Manual Supplement/Warranty & Services Guide

Q1: Is this a recall?

A1: No. This is not a recall. At Lexus, we are dedicated to providing vehicles of outstanding quality and value. As part of our continual efforts to ensure customer satisfaction, Lexus is advising you of this Enhancement to the Warranty Coverage to assure you that we stand behind the product.

Q2: How do I determine if my vehicle has a concern with the Brake Actuator Assembly?

A2: If the following warning lamps are illuminated, your vehicle may be experiencing a concern with the Brake Actuator Assembly that is covered by this warranty enhancement.



Please note: It is possible for the lights above to be illuminated and the condition not be related to this warranty enhancement program.

Q2a: What if the dealer performs diagnosis and determines that my vehicle does not have one of the conditions covered by this Warranty Enhancement Program?

A2a: The warning lights can be triggered due to conditions detected not specific to the brake actuator assembly. These additional conditions may require diagnosis or repairs not specifically covered by this Warranty Enhancement. Please be aware that, if the condition is not covered by this warranty enhancement, you may be responsible for the initial diagnostic fees and any other repairs you may decide to have performed. Any authorized Lexus Dealership can determine if a condition is covered by this Warranty Enhancement.

Q3: If my vehicle does not have one of these conditions, do I need to make an appointment with my dealership?

A3: No, you do not need to take your vehicle to a dealership unless your vehicle is exhibiting the conditions described in this letter. If you have not experienced one of these conditions, please apply the sticker to your Owner's Manual Supplement/Warranty & Services Guide booklet for future reference.

Q4: Is the Warranty Enhancement Program coverage transferable if I sell my vehicle?

Yes, this Warranty Enhancement coverage is fully transferrable to subsequent vehicle owners for the conditions and terms specified in the notification letter.

Q5: What should I do if my vehicle displays the warning indicators shown above?

A5: If you experience illumination of the brake system warning indicators shown above, please contact any authorized Lexus dealer at your earliest convenience and make arrangements for diagnosis and repair, if applicable.

Q6: How long will the repair take?

A6: If the condition is present on your vehicle, the repair for GS and LS vehicles will take approximately 2.5 hours and the repair for RX vehicle will take approximately 1.5 hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q7: What if I have additional questions or concerns?

A7: 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

* Warranty Enhancement Reimbursement Checklist

- ☐ Repair Order or Invoice
 - Must include the following information
 - Mileage on the date that the repair order was created
 - Itemized breakdown of labor charges for each repair performed
 - Detailed diagnosis statement
- ☐ Proof-of-Payment
 - Only the Following Items are Valid Proof-of Payment
 - Copy of a cancelled check
 - Copy of a Signed Credit Card Receipt
 - Copy of a Credit Card Statement
 - (If Paid By Cash) Letter from Repair Facility, on company letterhead, signed by the manager, verifying the amount paid by cash
- ☐ Proof-of-Ownership
 - Only the following items are Valid Proof-of-Ownership
 - Copy of the Bill of Sale
 - Copy of the Title
- ☐ Name, Address and Phone Number printed on all documents

Detailed diagnosis statement must answer the following three questions:

- 1. Why was the vehicle brought into the repair facility?
- 2. What was the repair facility's diagnosis?
- 3. What did the repair facility do to correct the concern?