

April 14, 2016

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

Subject: Safety (Non-compliance) Recall GLC - Remedy Notice

Certain 2016 ES 350 and RX 350 Vehicles

Brake Actuator

On April 6, 2016, Lexus filed a Non-compliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety (Non-compliance) Recall on certain 2016 model year ES 350 and RX 350 vehicles.

Lexus has completed preparations for the remedy and will begin notifying owners in early May, 2016.

Condition

The subject vehicles are equipped with a Brake Actuator assembly that enables enhanced brake control functions including the Anti-lock Braking System (ABS), Traction Control (TRAC), and Vehicle Stability Control (VSC), among others. There is a possibility that a component inside the actuator could have been damaged during manufacturing, preventing the actuator from operating properly. This could cause the vehicles not to comply with a portion of Federal Motor Vehicle Safety Standard (FMVSS) 126, and result in a loss of vehicle stability control, increasing the risk of crash.

In addition, other features including Electronic Brake force Distribution (EBD), Brake Assist (BA), Hill-start Assist Control (HAC), Pre-Collision System (PCS)*, Dynamic Radar Cruise Control System*, and Trailer Sway Control*, may not function as designed.

Covered Vehicles

There are approximately 12,500 vehicles covered by this Safety (Noncompliance) Recall in the U.S.

Model	Model Year	Production Period	Approx. UIO
ES350	Certain 2016	Early September, 2015 - Late February, 2016	12,400
RX350	Certain 2016	Late October, 2015 - Early February, 2016	100

Remedy

Any authorized Lexus dealer will inspect the brake actuator. If affected, the brake actuator will be replaced at **No Charge** to the vehicle owner.

Note: If the inspection process identifies a new vehicle in dealer stock with an affected brake actuator and the replacement (new) brake actuator is not available due to backorder, the vehicle must be held and cannot be sold until the remedy repair is completed.

^{*} If equipped

Owner Letter Mailing Date

Lexus will begin to notify owners in early May, 2016.

Lexus makes significant effort to obtain current customer name and address information from each state through industry resources when mailing 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 the repairs*. Dealers should perform the repair as outlined in the Technical Instructions found on TIS.

New Vehicles in Dealership Inventory

There are approximately 2,500 vehicles in new dealer inventory.



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. In addition, 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.

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.

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

To easily recognize vehicles involved in this Safety (Non-compliance) 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

Lexus requests that dealers do not deliver any pre-owned vehicles in dealer inventory that are covered by a Safety Recall unless the defect has been remedied.

Also, as a reminder, L-Certified policy prohibits the certification of any vehicle with an outstanding Special Service

Campaign or Safety Recall. Thus, no affected units should be sold or delivered as an L-Certified until the Safety Recall has been completed on that vehicle.

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 Technician
- Master Technician
- Diagnostic Specialist

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.

Remedy Procedures

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

Remedy Inspection Website

The Technical Instructions will direct you to a website as part of the inspection procedure. For your reference, the website and default password is listed below:

https://gOi-glc-brake-actuator-validation.imagespm.info

Default Password: XXXXX

Each dealer only has a single account; please ensure that the reset password is communicated to all technicians and dealer associates that will be utilizing this website.

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

Due to potentially limited availability, the parts have been placed on Manual Allocation Control (MAC). As the parts inventory changes, the ordering process may change. Please check the Lexus MAC report posted in the Lexus Customer Services website for the most up-to-date parts ordering information.

PARTS ARE ONLY NEEDED IF THE VEHICLE FAILS THE INSPECTION.

If a vehicle FAILS the inspection process and requires a replacement (new) brake actuator, reference the electronic parts catalog (EPC) for the correct actuator for each vehicle. The part number may vary based on vehicle configuration and option.

Campaign Special Service Tools

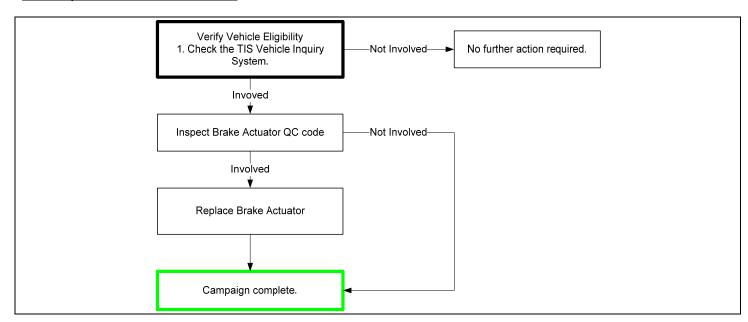
A QR Code Scanner will be REQUIRED to perform the remedy procedure, because the validation website will not accept manually entered data.

A QR Code Scanner was shipped to your dealership for delivery on April 15, 2016. This scanner will be used for this Safety Recall. This scanner IS NOT available through normal Lexus parts or tool channels.

Name	Sample Image
QR Code Scanner	

Note: The previously distributed scanner used to read barcodes for Takata inflator remedy repairs **cannot** be used for this Safety Recall. This scanner can support Takata inflator repairs since it reads both barcodes and QR codes.

Warranty Reimbursement Procedure



Model	Opcode	Description	Flat Rate Hours
RX/ES	CGG26A	Inspect Brake Actuator - OK	0.2
RX	CGG26B	Inspect Brake Actuator - AFFECTED Replace Brake Actuator	4.7
ES	CGG26D	Inspect Brake Actuator - AFFECTED Replace Brake Actuator	4.5

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- The cost of brake fluid (up to 4 liters) can be claimed up to \$80 per vehicle as sublet type "OF" under opcode CGG26B and CGG26D.
- If brake actuator replacement is required and the part is on backorder, a loaner vehicle or alternative transportation can be claimed for \$45 per day for a maximum of 4 days under opcode CGG26B or CGG26D. Per day expense exceeding \$45 or loaners exceeding 4 days, requires DSPM authorization.
- Warranty claim filing will be available starting Tuesday, April 19, 2016.

Lexus' usual customer care amenities of car wash and fuel tank fill apply to this Safety Recall. Additionally, one day of rental vehicle expense (to a maximum of \$45/day) or the cost of pick-up and delivery or remote repair of the customer's vehicle may be claimed if required.

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 Cindy Knight (310) 468-2170 in Toyota Corporate Communications. (Please do not provide this number to customers. Please provide this contact to only media associates.)

Customer Contacts

Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or the Safety (Non-compliance) 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 Customer Assistance Center (1-800-255-3987).

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 (Noncompliance) Recall.

Thank you for your cooperation.

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

Attachment

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



Safety (Non-compliance) Recall GLC - Remedy Notice Certain 2016 Model Year ES 350 and RX 350 Vehicles Brake Actuator

Frequently Asked Questions Published April 14, 2016

Q1: What is the condition?

A1: The subject vehicles are equipped with a Brake Actuator assembly that enables enhanced brake control functions including the Anti-lock Braking System (ABS), Traction Control (TRAC), and Vehicle Stability Control (VSC), among others. There is a possibility that a component inside the actuator could have been damaged during manufacturing, preventing the actuator from operating properly. This could cause the vehicles not to comply with a portion of Federal Motor Vehicle Safety Standard (FMVSS) 126, and result in a loss of vehicle stability control, increasing the risk of crash.

In addition, other features including Electronic Brake force Distribution (EBD), Brake Assist (BA), Hill-start Assist Control (HAC), Pre-Collision System (PCS)*, Dynamic Radar Cruise Control System*, and Trailer Sway Control*, may not function as designed.

* If equipped

Q1a: What is the requirement of FMVSS 126?

Ala: FMVSS 126 specifies vehicle Electronic Stability Control Systems performance requirements.

Q1b: What is ABS?

A1b: The Anti-Lock Braking System (ABS) manages the brake force at each wheel during braking to help prevent or minimize wheel lock up, maximizing stopping performance under a variety of driving and road surface conditions.

Q1c: What is TRAC?

A1c: The Traction Control (TRAC) system helps minimize the slippage of the drive wheels if the driver depresses the accelerator pedal excessively when accelerating on a low traction road surface.

Q1d: What is VSC?

A1d: The Vehicle Stability Control (VSC) system assists the driver in maintaining directional control of the vehicle by applying individual brake pressure to the appropriate wheels and managing engine output.

Ole: What is EBD?

A1e: The Electronic Brake force Distribution (EBD) system helps distribute brake force between each wheel in accordance with the driving conditions to minimize wheel slippage during braking.

Q1f: What is BA?

A1f: The Brake Assist (BA) system provides an increased level of braking force after the brake pedal is depressed when the system detects a panic stop situation.

Q1g: What is HAC?

Alg: The Hill-start Assist Control (HAC) system maintains brake hydraulic pressure to all 4 wheels in order to momentarily help prevent the vehicle from descending backwards.

Q1h: What is PCS?

A1h: The Pre-Collision System (PCS) helps determine the possibility of a frontal collision with a vehicle or pedestrian. If the likelihood is determined to be extremely high, the PCS applies the brakes or provides brake assistance.

Q1i: What is Dynamic Radar Cruise Control?

A1i: The Dynamic Radar Cruise Control System automatically accelerates and decelerates to match the speed changes of the preceding vehicle. If determined that a large deceleration is required based on the distance of the preceding vehicle and the relative vehicle speed, the Dynamic Radar Cruise Control System will apply the brakes or provide brake assistance.

Q1j: What is Trailer Sway Control?

A1j: The Trailer Sway Control system helps the driver to control trailer sway by selectively applying brake pressure for individual wheels.

Q2: What is Lexus going to do?

A2: Lexus will send an owner notification letter by first class mail to owners of vehicles covered by this Safety (Noncompliance) Recall.

Any authorized Lexus dealer will inspect the brake actuator. If affected, the brake actuator will be replaced at **No Charge** to you.

Q3: Are there any warnings or indicators of this condition?

A3: No. There are no advanced warnings prior to the existence of this condition.

Q3a: What if I experience this condition?

A3a: If you experience this condition, please contact your local authorized Lexus dealer for diagnosis. If the condition is related to this Safety (Noncompliance) Recall, the repair will be performed at **No Charge** to you.

Q3b: Can my vehicle be driven if this condition occurs on my vehicle?

A3b: Yes, the vehicle can still be driven, as the *standard braking system remains operational* even if you experience the described condition. However, as the enhanced functions (ABS, TRAC, and VSC) may not operate properly, Lexus requests that you use caution while driving, especially under adverse weather conditions.

Q4: Which and how many vehicles are covered by this Safety (Non-compliance) Recall?

A4: There are approximately 12,500 vehicles covered by this Safety (Noncompliance) Recall in the U.S.

Model	Model Year	Production Period	Approx. UIO
ES350	Certain 2016	Early September, 2015 - Late February, 2016	12,400
RX350	Certain 2016	Late October, 2015 - Early February, 2016	100

Q4a: Are there any other Toyota, Lexus, or Scion vehicles covered by this Safety (Noncompliance) Recall in the U.S.?

A4a: Yes. There are approximately 4,200 certain 2016 model year Toyota RAV4 vehicles covered by this Safety (Non-compliance) Recall in the U.S.

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 Customer Assistance Center at 1-800-255-3987 Monday through Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am to 4:00 pm Pacific Time.

Certain 2016 Model Year ES 350 and RX 350 Vehicles Brake Actuator

IMPORTANT SAFETY RECALL

This notice applies to your vehicle: [VIN]
NHTSA Recall No. 16V-198

URGENT SAFETY RECALL

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

Dear Lexus Owner:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Lexus has decided that certain 2016 model year ES 350 and RX 350 vehicles fail to conform to Federal Motor Vehicle Safety Standard (FMVSS) No. 126, "Electronic Stability Control Systems".

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?

The subject vehicles are equipped with a Brake Actuator assembly that enables enhanced brake control functions including the Anti-lock Braking System (ABS), Traction Control (TRAC), and Vehicle Stability Control (VSC), among others. There is a possibility that a component inside the actuator could have been damaged during manufacturing, preventing the actuator from operating properly. This could cause the vehicles not to comply with a portion of Federal Motor Vehicle Safety Standard (FMVSS) 126, and result in a loss of vehicle stability control, increasing the risk of crash.

In addition, other features including Electronic Brake force Distribution (EBD), Brake Assist (BA), Hill-start Assist Control (HAC), Pre-Collision System (PCS)*, Dynamic Radar Cruise Control System*, and Trailer Sway Control*, may not function as designed.

* If equipped

What will Lexus do?

Any authorized Lexus dealer will inspect and replace the brake actuator, if necessary, 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.

The vehicle inspection will take approximately 45 minutes. If it is determined that the brake actuator in your vehicle requires replacement, the replacement will take approximately 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.

There are no advanced warnings prior to the existence of this condition and the standard braking system remains operational even if you experience the condition. However, as the enhanced functions (ABS, TRAC, and VSC) may not operate properly, Lexus requests that you use caution while driving, especially under adverse weather conditions.

If you experience this condition, please contact your local Lexus dealership immediately for diagnosis. If the condition is related to this Safety Recall, the repair will be performed at **No Charge** to you.

You do not need an owner letter to have this recall completed; however, to assist the dealer in confirming vehicle eligibility, we request that you present this notice at the time of your service appointment.

If you would like to update your vehicle ownership or contact information, you may do so at www.lexusdrivers.com. You will need your user name, password, and full 17-digit Vehicle Identification Number (VIN).

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, 5:00 am to 6:00 pm, Saturday 7:00 am to 4:00 pm Pacific 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 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.