

Kathy Wachs / Service & Parts Operations
Lexus Customer Services
October 10, 2012
Approved By: Don Fordiani - National Dealer and Field Operations Manager

To: All Lexus Dealers
From: Lexus Customer Services

NHTSA - Consumer Advisory on Counterfeit Airbags
*******URGENT*******

Recently, Law Enforcement officials apprehended a counterfeit Airbag ring in North Carolina. The arrests lead to the confiscation of over 1,500 counterfeit airbags for a variety of manufacturers and vehicle models. Counterfeit airbags are an industry wide problem and not limited to Lexus.

On Wednesday, October 10, 2012, the National Highway Traffic Safety Administration is expected to issue a Consumer Advisory on Counterfeit Airbags and what consumers can do to protect themselves.

Based upon the Consumer Advisory, it is possible that customers will contact dealerships requesting to have their vehicles inspected. There is not a method for inspecting for and identifying counterfeit airbag assemblies. While some counterfeits may be obvious, this may not always be the case.

The following guidelines may be used to assist customers:

- If the vehicle has never had the airbag(s) replaced, there is no need to be concerned.
- If the airbag was replaced by a Lexus dealer under warranty, there is no need to be concerned.
- If the customer previously had the airbag(s) replaced at any other repair facility, the customer should request that repair facility to provide documentation that a genuine Lexus replacement airbag was used.
- If a customer purchased a used vehicle and suspects he/she may have a counterfeit airbag, the customer should contact the seller to determine if a genuine Lexus replacement airbag was used.
- If the airbag(s) was previously replaced but the customer is unable to return to the repair facility, he/she should be directed to www.safercar.gov for additional information.
- Depending upon the quality of the counterfeit, it may not be possible to determine if an airbag is genuine or not by a visual inspection.
- Counterfeit airbags may have resistors installed to mimic an OEM airbag and prevent the airbag warning light from remaining illuminated. Under no circumstances should a dealer attempt to test an airbag resistance with an ohm meter. This may deploy an airbag causing injury to the technician.
- Lexus Certified Pre-owned vehicles (CPO) go through an inspection process to ensure they meet our standards. During this process, the dealership verifies* the vehicle's airbag(s) are present with no evidence of deployment. Airbag deployment or any signs that airbag covers have been painted renders the vehicle permanently ineligible for certification.

*This includes running a vehicle history through CARFAX.

- If the customer determines the vehicle's airbag is counterfeit and requires replacement, the repair will be at customer expense.
- Customers should always wear seatbelts as they are the primary restraint system in the vehicle; the airbag system is designed to be a supplemental vehicle restraint system.

If a consumer is about to have an airbag replaced, the following tips may assist in assuring he/she purchases a good, reliable airbag.

- Purchasing a Lexus Original Equipment (OE) Airbag from a Lexus dealer will ensure that the right airbag designed for the vehicle is used.
- Always demand that the repair facility provide proof that the right airbag is being used.
- Never buy an airbag with a questionable history (e.g., airbags sold on the internet).
- If the price is too good to be true, it is probably a counterfeit.

The attached Q&A is also available to respond to any customer questions.

Lexus would also like to remind dealers and associates to immediately report any suspicious airbag related activity to the local law enforcement officials.

If a customer has further questions, please direct the inquiry to the Lexus Customer Assistance Center at 1-800-255-3987.

Thank you for your understanding and cooperation.



October 10, 2012

To: Lexus Area General Managers
From: Don Fordiani - National Field and Dealer Operations Manager
Subject: NHTSA - Consumer Advisory on Counterfeit Airbags

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Attachment

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



NHTSA Consumer Advisory on Counterfeit Airbags - Q&A

Background

Recently, Law Enforcement officials apprehended a counterfeit Airbag ring in North Carolina. The arrests lead to the confiscation of over 1,500 counterfeit airbags for a variety of manufacturers and vehicle models. Counterfeit airbags are an industry wide problem and not limited to Lexus.

On Wednesday, October 10, 2012, the National Highway Traffic Safety Administration is expected to issue a Consumer Advisory on Counterfeit Airbags and what consumers can do to protect themselves.

If the vehicle has never had the airbag(s) replaced or the airbag was replaced by a Lexus dealer under warranty, there is no need to be concerned.

Q1: Can Lexus assist the customer with inspecting the airbag assembly?

A1: There is not a method for inspecting for and identifying counterfeit airbag assemblies. While some counterfeits may be obvious, this may not always be the case.

Q1a: How can customers verify if their replacement airbag was an OEM Lexus replacement?

A1a: If the customer previously had the airbag(s) replaced at any repair facility, the customer should request that repair facility to provide documentation that a genuine Lexus replacement airbag was used.

Q1b: What if a customer purchased a used vehicle and suspects he/she may have a counterfeit airbag(s)?

A1b: Customer should contact the seller to determine if a genuine Lexus replacement airbag(s) was used.

Q1c: Are there any steps customers can take until the airbag authenticity can be verified with the repair facility?

A1c: Customers should always wear seatbelts as they are the primary restraint system in the vehicle. The airbag system is designed to be a supplemental vehicle restraint system.

Q2: Are there any indicators a vehicle may have a counterfeit airbag installed?

A2: The NHTSA consumer advisory notes several areas to look at when trying to identify counterfeit airbags. However, Lexus has not investigated counterfeit airbags and it is not certain whether they can be identifiable using these indicators.

Q2a: What are the counterfeit identification indicators in the NHTSA advisory?

A2a: Please refer to the NHTSA consumer advisory which can be found at www.safercar.gov

Q3: Which vehicles are covered by this Consumer Advisory?

A3: Please refer to NHTSA's website for further information. It is important to note that there is no need to be concerned if your airbag was never replaced or replaced with a genuine manufacturer's airbag.

Q3a: Is this a Lexus Safety Recall?

A3a: No, this is not a Safety Recall.

Q3b: Is this issue limited to Lexus vehicles?

A3b: No, this issue affects the entire automotive industry.

Q4: I have a vehicle in dealership inventory. How do I determine if the vehicle has a counterfeit airbag?

A4: If the dealer does not know if the airbags were previously replaced, it is recommended that the dealer check a commercially available web based service, such as CARFAX, to determine if the vehicle has been involved in a crash which required air bag replacement. Note: Commercial vehicle history reports are good indicators of a vehicle's history but may not capture all crashes.

Q4a: Will this advisory have any effect on Lexus Certified Pre-owned vehicles (CPO)?

A4a: Lexus Certified Pre-owned vehicles (CPO) go through an inspection process to ensure they meet our standards. During this process, the dealership verifies the vehicle's airbag(s) are present with no evidence* of deployment. Airbag deployment or any signs that airbag covers have been painted renders the vehicle permanently ineligible for certification.

**This includes running a vehicle history through CARFAX.*

Q5: What can a customer do to ensure the airbag he/she is about to purchase is not a counterfeit?

A5: Purchasing a Lexus Original Equipment (OE) Airbag from a Lexus dealer will ensure that the right airbag designed for the vehicle is used.

Q6: Are there any additional documents or information the customer can refer to?

A6: Yes, the National Highway Traffic Safety Administration (NHTSA) has published a consumer advisory regarding counterfeit airbag assemblies. The NHTSA advisory can be found at www.safercar.gov

Q7: If a counterfeit airbag is identified who is responsible for the replacement cost?

A7: If the customer determines the vehicle's airbag is counterfeit and requires replacement, the repair will be at customer expense.

Q8: What if an owner has additional questions or concerns?

A8: Owners with questions or concerns are asked to 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.



October 10, 2012

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

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Cc: Customer Satisfaction Manager
Pre-Owned Manager
Sales Manager



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