TOYOTA

Toyota Motor North America, Inc.

Vehicle Safety & Compliance
Liaison Office
Mail Stop: W4-2D
6565 Headquarters Drive
Plano, TX 75024

October 14, 2020

DEFECT INFORMATION REPORT

1. Vehicle Manufacturer Name:

Toyota Motor Manufacturing, Indiana, Inc. ["TMMI"]
4000 Tulip Tree Drive, Princeton, IN 47670-4000

Affiliated U.S. Sales Company:

Toyota Motor North America, Inc. ["TMNA"]
6565 Headquarters Drive, Plano, TX 75024

Manufacturer of Seat Assembly

Toyota Boshoku America
1360 Dolwick Dr, Unit 125, Erlanger, KY 41018

Country of Origin: USA

2. Identification of Involved Vehicles and Affected Components:

Based on production records, we have determined the involved vehicle population as in the table below.

Make/Car Line	Model Year	Manufacturer	Production Period
Toyota / Highlander	2020	TMMI	December 3, 2019 through August 24, 2020
Toyota / Highlander HV	2020	TMMI	February 4, 2020 through August 24, 2020

Applicability	Part Number	Part Name	Component Description
MY2020 Toyota Highlander/ Highlander HV	71200-0E660	Seat Assy, Fr LH	Driver Front Seat Assembly
	71200-0E680		
	71200-0E690		
	71200-0E740		
	71200-0E860		
	71100-0E520	Seat Assy, Fr RH	Passenger Front Seat Assembly
	71100-0E530		
	71100-0E540		
	71100-0E650		
	71100-0E660		

Note: (1) Although the involved vehicles are within the above production period range, not all vehicles in this range were sold in the U.S.

(2) This issue only affects vehicles equipped with front seats of a certain design that were manufactured by a specific supplier on specific production lines and were affected by certain processing errors during a specific time period. Other Toyota or Lexus vehicles sold in the U.S. are not equipped with the front seats of this design that were affected by the aforementioned conditions.

3. Total Number of Vehicles Potentially Involved:

Toyota Highlander : 2,598
Toyota Highlander HV : 523
Total : 3,121

4. Percentage of Vehicles Estimated to Actually Contain the Defect:

Based on available production records, Toyota estimates that at least 4.7% vehicles may contain this defect.

5. Description of Problem:

The subject vehicles are equipped with driver and front passenger seats that contain seat-mounted side air bags that are covered by a trim cover. These covers are designed to tear during deployment of the seat-mounted side air bag. Due to certain processing errors in the seat trim cover installation process at a supplier, there is a possibility that one or both of the front seats (subsequently installed in the subject vehicles) were not equipped with the correct trim cover. In this condition, the cover could prevent the seat-mounted side air bag from deploying properly when the air bags are commanded to deploy, increasing the risk of injury in the event of a crash.

6. Chronology of Principal Events:

Late August 2020 through September 2020

During pre-production testing of a front seat with a seat-mounted side air bag in a different Toyota vehicle, it was observed that, although the air bag was commanded to deploy and inflated properly, a post-test inspection identified an abnormal condition of the seat trim cover. The results from the pre-production seat testing were sent to the supplier, who assembled the pre-production seat, to investigate the seat trim cover condition observed during the post-test inspection. The supplier determined that the trim cover on the seat from the test was incorrect for the seat in this case.

The supplier began checking their seat assembly process to determine if the same error could occur on production seats. As a result of the investigation, it was identified that a seat trim cover for the incorrect side (driver vs. front passenger) could be installed on seats of a certain design and not detected by the quality control process due to certain processing errors in the system. It was also identified that production seats could be affected. The supplier communicated these findings to Toyota.

Based on production seat traceability information provided by the supplier, Toyota began a containment activity to inspect completed vehicles that could potentially be equipped with incorrectly assembled seats and also began to analyze the potential effect of an incorrect seat trim cover on a seat assembly. During the containment and inspection activities, two vehicles identified, based on production records, as having an incorrect seat trim cover, were determined to have the correct trim covers as a result of rework during manufacturing. The supplier further investigated the rework process and found that the traceability information during the rework process may not be accurately recorded. As a result, the scope of the containment and inspection activity was expanded to also include all vehicles that had been through the rework process.

To analyze the potential effect of the incorrect seat cover, Toyota decided to conduct testing of seat-mounted side air bags installed in front seat assemblies with incorrectly installed seat trim covers. These trim covers are designed with a specific seam located above the seat mounted side air bag because they are designed to tear when the seat mounted side air bags are deployed. Because the identified incorrect trim covers would not have the specific seam at the correct location above the seat side air bag, Toyota conducted testing to understand how the different location of the seam would affect air bag deployment.

In late September, Toyota conducted testing on four front seats from the suspect vehicles with seat-mounted side air bags with incorrectly installed trim covers. Three of the air bag tests deployed normally. However, one of the air bag tests had a partial deployment in which less than half of the air bag deployed through the seat trim cover. The results of these tests were then analyzed and it was determined that a partial seat side-mounted side air bag deployment condition could occur when the air bags are commanded to deploy, which could increase the risk of injury in the event of a crash.

October 8, 2020

Based on the results of the above investigation, Toyota decided to conduct a voluntary safety recall campaign.

As of September 30, 2020 based on a diligent review of records, Toyota’s best engineering

judgement is that there are 0 Toyota Field Technical Reports and 0 warranty claims that have been received from U.S. sources that relate or may relate to this condition and which were considered in the decision to submit this report.

7. Description of Corrective Repair Action:

For all involved vehicles, Toyota dealers will inspect the trim covers installed on the front seats and replace any incorrectly installed trim covers with correct one(s) if necessary.

Reimbursement Plan for pre-notification remedies

As the owner notification letters will be mailed out well within the active period of the Toyota New Vehicle Limited Warranty ("Warranty"), all involved vehicle owners for this recall would have been provided a repair at no cost under Toyota's Warranty.

8. Recall Schedule:

Notifications to owners of the affected vehicles will occur by December 13, 2020. A copy of the draft owner notification will be submitted as soon as it is available.

9. Distributor/Dealer Notification Schedule:

Notifications to distributors/dealers will be sent by October 14, 2020. Copies of dealer communications will be submitted as they are issued.

10. Manufacturer's Campaign Number:

[Interim / Remedy] 20TB14 / 20TA14