◄ IMPORTANT UPDATE ►

The attached Dealer Letter has been updated. Refer to the details below.

| DATE | ΤΟΡΙΟ |
|------------|---|
| 04/27/2022 | Additional vehicles have been added to this Safety (Noncompliance) Recall |

The most recent update in the attached Dealer Letter will be highlighted with a red box.

Please review this notification with your staff to assure that all relevant personnel have been briefed regarding this subject.

Thank you for your cooperation.

Original Publication Date: April 15,2022

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

SAFETY (NONCOMPLIANCE) RECALL 22TA03 – Remedy Notice

Certain 2020 – 2022 Model Year Highlander Hybrid Certain 2021 – 2022 Model Year Mirai Certain 2021 – 2022 Model Year Rav4 Prime Certain 2022 Model Year Rav4 Hybrid Certain 2021 – 2022 Sienna Hybrid Certain 2021 – 2022 Venza Hybrid Vehicle Stability Control System May Not Default to "On" NHTSA Recall No. 22V-239

| Model / Years | Production Period | Approximate Total Vehicles | Approximate Stop Sale Dealer Inventory |
|-------------------------------|--|-------------------------------|---|
| 2020 – 2022 Highlander Hybrid | Early October 2019 – Early April 2022 | 129,600 | 382 |
| 2021 – 2022 Mirai | Late May 2020 – Early April 2022 | 3,900 | 51 |
| 2021 - 2022 Rav4 Prime | Late November 2019 – Late March 2022 | 38,400 | 53 |
| 2022 Rav4 Hybrid | Early September 2021 – Early April 2022 | 47,600 | 574 |
| 2021 – 2022 Sienna Hybrid | Early March 2020 – Early April 2022 | 140,900 | 1151 |
| 2021 – 2022 Venza Hybrid | Early March 2020 – Early April 2022 | 91,100 | 122 |

STOP

STOP! DO NOT SELL NEW VEHICLES IN DEALER INVENTORY. Refer to Dealer Inventory Procedures section for more details.



On April 26, 2022, Toyota amended a previously filed Noncompliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA). The amended Noncompliance Information Report (NCIR) added 52 model year 2021 Sienna Hybrid vehicles, 2 model year 2022 Rav4 Prime vehicles and 1 model year 2020 Highlander Hybrid vehicle.

On April 13, 2022, Toyota filed a Noncompliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety (Noncompliance) Recall on certain 2020-2022 model year Highlander Hybrid, 2021-2022 model year Mirai, 2021-2022 model year Rav4 Prime, 2022 model year Rav4 Hybrid, 2021-2022 model year Sienna Hybrid, 2021-2022 model year Venza Hybrid vehicles.

<u>Condition</u>

A software error can cause the Vehicle Stability Control system (VSC) not to default to "ON" the next time the car is started under certain circumstances. This can result in noncompliance with a federal safety requirement. Operating the vehicle with VSC deactivated could increase the risk of a crash in certain driving conditions.

<u>Remedy</u>

Any authorized Toyota dealer will update the software in the Skid Control ECU FREE OF CHARGE.

Covered Vehicles

There are approximately 451,500 vehicles covered by this Safety (Noncompliance) Recall. Approximately 2,200 vehicles involved in this Safety (Noncompliance) Recall were distributed to Puerto Rico.

Owner Letter Mailing Date

Toyota will notify owners by the middle of June 2022.

Toyota makes significant effort to obtain current customer name and address information from each state through industry resources when mailing owner letters. In the event your dealership receives a notice for a vehicle that was sold prior to the Safety (Noncompliance) 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 repairs*. Dealers should perform the repair as outlined in the Technical Instructions found on TIS.

Dealer Inventory Procedures

New Vehicles in Dealership Inventory

There are approximately 2,333 vehicles in new dealer inventory as of April 11, 2022.



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. Further, 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.

Toyota reimburses dealers for flooring costs associated with new vehicles held in dealership inventory until the recall remedy becomes available. Toyota provides these flooring reimbursements at 60-day intervals. Toyota reserves the right to withhold or charge-back any flooring reimbursement funds that may have been paid to the dealer if it determines that a new vehicle subject to a safety recall was sold without first being 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.

NOTE:

- New vehicles in dealer inventory subject to a Safety Recall must be remedied before delivery into commerce under a sale or lease. Dealer-to-dealer trades as well as vehicle sales between dealers should not be made until a vehicle is remedied.
- Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily (Non SET and GST dealers: <u>https://dealerdaily.toyota.com/</u>). The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

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

To easily recognize vehicles involved in this Safety (Noncompliance) 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 |
|--------------|----------------------------|-------------|
| 00411-140003 | Inspection Mirror Hang Tag | 25 Per Pack |

Pre-Owned Vehicles in Dealer Inventory

To ensure customer satisfaction, Toyota requests that dealers complete this Safety Recall on any used vehicles currently in dealer inventory that are covered by this Safety Recall prior to customer delivery. However, if the campaign cannot be completed (for example, due to remedy parts availability), delivery of a covered vehicle is acceptable if disclosed to the customer that the vehicle is involved in a Safety Recall.

Toyota expects dealers to use the attached Customer Contact and Vehicle Disclosure Form to obtain vehicle buyer information. Dealers are expected to provide a copy of the completed form, along with the most current FAQ, to the vehicle buyer. Toyota and the dealer may use this information to contact the customer when the remedy becomes available.

Keep the completed form on file at the dealership and send a copy to quality_compliance@toyota.com. In the subject line of the email, state "Disclosure Form 22TA03" and include the VIN.

NOTE: Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily (**Non SET and GST dealers:** <u>https://dealerdaily.toyota.com/</u>). The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

Toyota Certified Used Vehicle (TCUV)

The TCUV policy prohibits the certification of any vehicle with an outstanding Safety Recall, Special Service Campaign, or Limited Service Campaign. Thus, no affected units are to be designated, sold, or delivered as a TCUV until all applicable Safety Recalls, Special Service Campaigns, and Limited Service Campaigns have been completed on that vehicle.

Toyota Rent-A-Car (TRAC) & Service Loaners

Toyota requests that dealers remove all TRAC and Service Loaner vehicles from service that are covered by a Safety Recall unless the defect has been remedied.

Customer Handling, Parts Ordering, and Remedy Procedures

Customer Contacts

Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or the Safety (Noncompliance) 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 Toyota Brand Engagement Center (1-888-270-9371) – Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.

Head Unit Notifications

Head unit notifications are electronic messages that are displayed in the vehicle's audio system screen. Customers who receive head unit notification regarding this Safety (Noncompliance) Recall are requested to schedule an appointment with their authorized dealer to have this Safety Recall completed.

When these messages are received by the vehicle's Data Communication Module, the head unit will display a pop-up prompt stating that the vehicle has a new Safety (Noncompliance) Recall. The prompt will contain options to 'Snooze' or to 'View' the message. If a customer chooses 'Snooze', the message will continue to reappear every 20 minutes until the customer chooses 'View'. If a customer views and then closes the message, the message will be available in the Notification App if the customer chooses to review it again. If the vehicle's completion status remains incomplete for a period of 90 days from the message being viewed, the head unit may display a renotification pop-up prompt as an additional reminder to the customer to have this Safety (Noncompliance) Recall completed.

The message will completely clear from the vehicle once the following conditions are met: The Safety (Noncompliance) Recall is completed, the dealer has filed a claim, and the claim is approved by Toyota. Then the message will be cleared at the next clearing cycle, which currently happens daily.

Owners who receive a head unit notification after having this Safety (Noncompliance) Recall completed can be advised to ignore the message. Owners with additional concerns can be directed to the Toyota Brand Engagement Center (1-888-270-9371) - Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.

Salvage Title Vehicles

Every attempt should be made to complete an open Safety Recall when circumstances permit, unless noted otherwise in the Safety Recall dealer letter.

For complete details on this policy, refer to Toyota Warranty Policy <u>4.17</u>, "What Is Not Covered by The Toyota New Vehicle Limited Warranty".

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 Aaron Fowles (469) 292-1097 in Toyota Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media.

Technician Training Requirements

The repair quality of covered vehicles is extremely important to Toyota. 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 have completed all of the following courses:

• T623 Electrical Circuit Diagnosis

Always check which technicians can perform the repair by logging on to <u>https://www.uotdealerreports.com</u>. It is the dealership's responsibility to select technicians that have completed the above courses 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

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

Repair Quality Confirmation

The repair quality of covered vehicles is extremely important to Toyota. 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 Recovery Procedures

All parts replaced as part of this Safety Recall must be turned over to the parts department until appropriate disposition is determined. The parts department must retain these parts until notification via the Parts Recovery System (PRS) is received indicating whether to ship or scrap the parts. These parts are utilized by various departments for defect analysis, quality control analysis, product evaluation, as well as other purposes.

To help minimize dealer storage challenges, Toyota recommends that dealers:

- File the campaign claim accurately and promptly. The time a dealer is required to hold parts is based on when the campaign claim is paid by Toyota.
- Monitor the Warranty Parts Recovery Notifications and Part Scrap Report regularly.

Refer to Warranty Policies <u>9.3 and 9.6</u> for additional details.

Vehicles Emission Recall Proof of Correction Form (California only)

As this Safety (Noncompliance) Recall includes emission related parts, California dealers are requested to fill out the Vehicle Emissions Recall – Proof of Correction form after repairs have been completed. The vehicle owner may require this form for vehicle registration renewal. *It is important to note that the forms are an*

official state document and blank forms must be secured to prevent misuse. Booklets can be ordered from the MDC (material number 00410-92007).

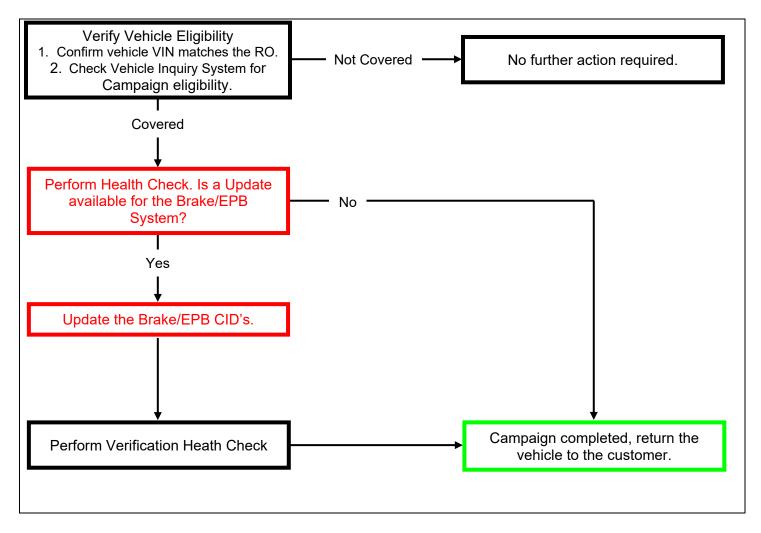
Please complete the form and provide it to the owner. The first non-completed VINs will be submitted to the California state DMV by December 2022. If the vehicle owner's warranty claim will

| License Number | Make | Year Model | Body Type | Vehicle Identification Number |
|----------------|--------|------------|----------------|---|
| | | | | |
| Manufa | churae | | | Recall Number |
| | | | | red, modified and/or equipped with new emission Emission Control Laws. |
| Dealer's N | lame | Add | ress, City, St | ate and Zip |
| | | | | |

not be processed and paid prior to this date, please be sure to complete a form and provide it to a California owner.

Warranty Reimbursement Procedures

Warranty Reimbursement Procedure

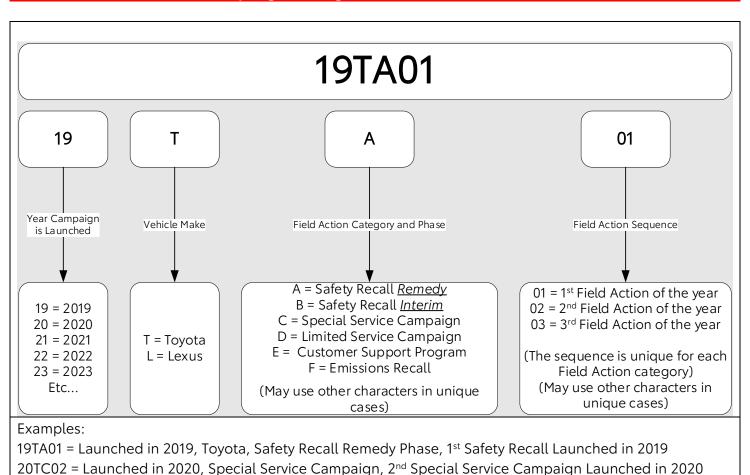


| Op Code | Description | Flat Rate Hours |
|---------|--|-----------------|
| 22TA31 | Update Skid Control ECU (except Mirai) | 1.0 |
| 22TA32 | Update Skid Control ECU (Mirai Only) | 1.2 |

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- In the rare case that the Skid Control ECU contains the latest calibration ID (no software update needed), use opcode 22TA31 for all models except Mirai. For Mirai use opcode 22TA32.

Claim Filing Accuracy and Correction Requests

It is the dealer's responsibility to file claims correctly for this Safety (Noncompliance) Recall. This claim filing information is used by Toyota for various government reporting activities; therefore, claim filing accuracy is crucial. If it has been identified that a claim has been filed using an incorrect Op Code or a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin <u>PRO17-03</u> to correct the claim.



Campaign Designation / Phase Decoder

Please review this entire package with your Service and Parts staff to familiarize them with the proper step-bystep procedures required to implement this Safety (Noncompliance) Recall.

21TE05 = Launched in 2021, Customer Support Program, 5th Customer Support Program Launched in 2021

Thank you for your cooperation. TOYOTA MOTOR SALES, U.S.A., INC.



SAFETY (NONCOMPLIANCE) RECALL 22TA03 – Remedy Notice

Certain 2020 – 2022 Model Year Highlander Hybrid Certain 2021 – 2022 Model Year Mirai Certain 2021 – 2022 Model Year Rav4 Prime Certain 2022 Model Year Rav4 Hybrid Certain 2021 – 2022 Sienna Hybrid Certain 2021 – 2022 Venza Hybrid Vehicle Stability Control System May Not Default to "On" NHTSA Recall No. 22V-239

Frequently Asked Questions Original Publication Date: April 15, 2022

Q1: What is the condition?

A1: A software error can cause the Vehicle Stability Control system (VSC) not to default to "ON" the next time the car is started under certain circumstances. This can result in noncompliance with a federal safety requirement. Operating the vehicle with VSC deactivated could increase the risk of a crash in certain driving conditions.

Q1a: What are the specific circumstances under which this condition could occur?

A1a: If the driver manually turns off the VSC by the VSC in-vehicle control and the ignition is turned off and then turned back on while the brake pedal is continuously depressed, the VSC will not return to the default ON setting at the next ignition cycle.

Q2: Are there any symptoms/warnings before the condition can occur?

A2: No. However, when the VSC system is not activated, a warning light on the instrument panel will be continuously displayed alerting the driver that the VSC system is not activated.



Q3: Is there anything I can do to avoid this condition?

A3: This condition does not occur as long as you fully release the brake pedal between ignition cycles. In addition, if the VSC system is off when the vehicle is started, you can press your VSC / TRAC button shown below to reactivate the VSC system.



Q4: What is Toyota going to do?

A4: Toyota will send an owner notification by first class mail by the middle of June 2022, advising owners to make an appointment with their authorized Toyota dealer to have the software in the Skid Control ECU updated *FREE OF CHARGE*.

NOTE (Customers who live in the state of California)

The state of California requires the completion of Safety Recalls / Service Campaigns on emission related parts prior to vehicle registration renewal. In addition, the State requires that every vehicle must pass an emission test (SMOG Check) every two years and before it is sold. Without the completion of this *FREE* Safety Recall, the California Air Resources Board (CARB) will not allow your vehicle to be registered. State of California Regulations require Toyota to provide the Department of Motor Vehicles with a record of all vehicles that have not had the Safety Recall completed.

Your Toyota dealer will provide you with a Vehicle Emissions Recall Proof of Correction Form after the campaign has been completed. Please ensure you retain this form, because the DMV may require that you supply proof that the campaign has been completed during your vehicle registration renewal process.

Q5: Which and how many vehicles are covered by this Safety (Noncompliance) Recall?

| Model Name | Model Year | Production Period |
|-------------------|-------------|---|
| Highlander Hybrid | 2020 - 2022 | Early October 2019 – Early April 2022 |
| Mirai | 2021 - 2022 | Late May 2020 – Early April 2022 |
| Rav4 Prime | 2012 - 2022 | Late November 2019 – Late March 2022 |
| Rav4 Hybrid | 2022 | Early September 2021 – Early April 2022 |
| Sienna Hybrid | 2021 -2022 | Early March 2020 – Early April 2022 |
| Venza Hybrid | 2021 - 2022 | Early March 2020 – Early April 2022 |

A5: There are approximately 451,500 vehicles covered by this Safety (Noncompliance) Recall.

Q5a: Are there any other Lexus/Toyota/Scion vehicles covered by this Safety (Noncompliance) Recall in the U.S.?

A5a: Yes, there are approximately 6,600 Lexus vehicles covered by Safety (Noncompliance) Recall 22LA01. The following vehicles are covered: certain Lexus LS 500h vehicles, certain Lexus LX 600 vehicles, certain Lexus NX 350h vehicles and certain Lexus NX 450h+ vehicles.

Q6: How long will the repair take?

A6: The repair takes approximately one hour. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q7: How does Toyota obtain my mailing information?

A7: Toyota 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.

Q8: What if I have additional questions or concerns?

A8: If you have additional questions or concerns, please contact the Toyota Brand Engagement Center at 1-888-270-9371 Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.

Toyota Motor Sales, USA, Inc. 6565 Headquarters Drive Plano, TX 75024 (469) 292-4000

CUSTOMER CONTACT & VEHICLE DISCLOSURE FORM

This form is not applicable for new vehicles in dealership inventory and TCUV units.

This vehicle is involved in a Safety Recall. At this time, <u>remedy parts are not available</u> and the remedy has *NOT* been performed. I understand that the vehicle will need to be returned to an authorized Toyota dealer to have the remedy performed at *NO CHARGE* when the remedy is available.

Customer Signature

Toyota recommends that you register with the Toyota Owners Community at <u>http://www.toyota.com/owners/</u> and regularly check recall applicability using <u>www.toyota.com/recall</u> or <u>www.safercar.gov</u>. You will need to input your 17-digit Vehicle Identification Number (VIN).

| VIN | | Campaign Code | |
|------------------------|----------------------------------|--|----|
| Model | Model Year | | |
| Customer Information | | | |
| Customer Name | | Customer Email | |
| Customer Address | | Home Phone # | |
| | | Mobile Phone # | |
| | | Date | |
| available. This inform | nation will only be used for car | our dealer can notify you when the remedy become npaign communications. If you'd like to update you w.toyota.com/ownersupdate or contact us at 1-888 | ur |
| Dealer Information | | | |
| Dealer Name/Addres | SS | Dealer Code | |

| Dealer Name/Address | Dealer Code | |
|---------------------|----------------------------|--|
| | Dealer Phone Number | |
| | Dealer Staff Name | |
| | Dealer Staff Signature | |