Toyota Motor Sales, USA, Inc.

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Original Publication Date: December 20, 2023

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

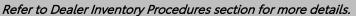
SAFETY (NONCOMPLIANCE) RECALL 23TA16 (Remedy Notice)

Certain 2022–2023 Model Year Corolla Cross Passenger Airbag May Not Deploy as Designed

Model / Years	Production Period	Approximate Total Vehicles	Approximate Stop Sale Dealer Inventory
2022-2023 Corolla Cross	Early September 2021 – Early May 2023	12,600	8



STOP! DO NOT SELL NEW VEHICLES IN DEALER INVENTORY.





On December 20, 2023, 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 2022–2023 model year Corolla Cross vehicles.

Condition

The subject vehicles were previously inspected under a prior recall. Due to a problem with the inspection process specified by Toyota, the inspection may not have identified certain vehicles requiring the remedy. Without the remedy, the front passenger airbag may not deploy as designed due to a manufacturing error in the instrument panel where the airbag is located. As a result, the vehicles may not meet certain federal requirements, and there could be an increased risk of injury in a crash.

Remedy

For all involved vehicles, Toyota dealers will re-inspect with an improved process, and, if necessary, replace the instrument panel *FREE OF CHARGE*. Until the vehicle is inspected and the remedy is performed, if necessary, Toyota recommends that no one sit in the front passenger seat of an involved vehicle.

Covered Vehicles

There are approximately 12,600 vehicles covered by this Safety (Noncompliance) Recall. Approximately 900 vehicles involved in this Safety Recall were distributed to Puerto Rico.

Owner Letter Mailing Date

Toyota will notify owners by early February 2024.

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 8 vehicles in new dealer inventory as of December 14, 2023.



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: https://dealerdaily.toyota.com/). The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

<u>Inspection Reminder Mirror Hang Tags for Covered Vehicles in New Dealer Stock</u>

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

<u>Pre-Owned Vehicles in Dealer Inventory</u>

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 23TA16/23TB16" 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:** https://dealerdaily.toyota.com/). 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.

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 Joshua Burns (469) 292-6449 in Toyota Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media.

<u>Parts Ordering Process</u> - Non SET and GST Parts Ordering Process

It is possible that parts for this campaign are either required to be ordered in Campaign Part Order Request (CPOR) on Service Lane, or have been placed on Manual Allocation Control (MAC) due to potential limited part availability. Please check the CPOR/MAC report on Dealer Daily for the most up-to-date parts ordering information. Dealers can identify which parts ordering method to use by reviewing the parts information section of Dealer Daily and checking for a MAC code on the part numbers below. For MAC code C, order through CPOR. For MAC code D, refer to the MAC report for further instructions.

All Safety Recall, Service Campaign (SSC/LSC) parts are eligible for the Monthly Parts Return Program. Please refer to PANT Bulletin 2011-087 for campaign parts that are currently returnable under the Monthly Parts Return Program and for additional details.

No parts are needed for the QR code inspection. In the rare case that the vehicle fails the initial QR code inspection, reference the parts table below for parts required.

Milling Inspection Parts (Clips are required for this inspection)

Part Number	Part Description	Quantity
62217-42050	CLIP, FR PILLAR GARNISH	4

If Replacement is Required

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Part Number	Part Description	Quantity
55400-0A050-C0	Pad Assy, Instrument Panel	1
62217-42050	CLIP, FR PILLAR GARNISH	4

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 currently completed the following courses:

• TIC206A - Electrical Repair 1

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

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.

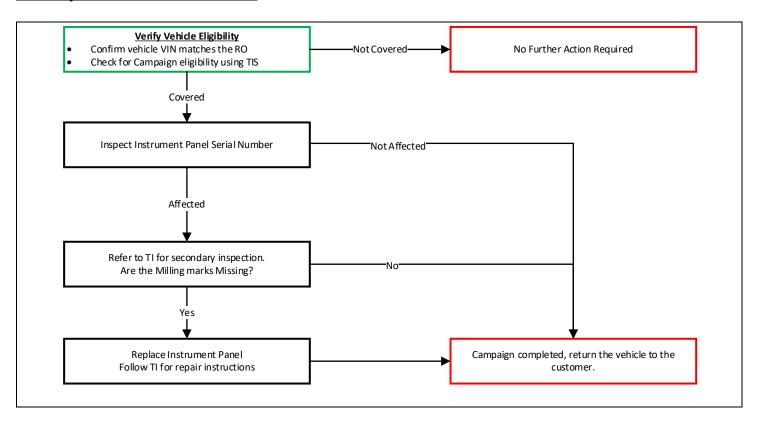
To help minimize dealer storage challenges, Toyota recommends that dealers:

- 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 9.3 and 9.6 for additional details.

Warranty Reimbursement Procedures

Warranty Reimbursement Procedure



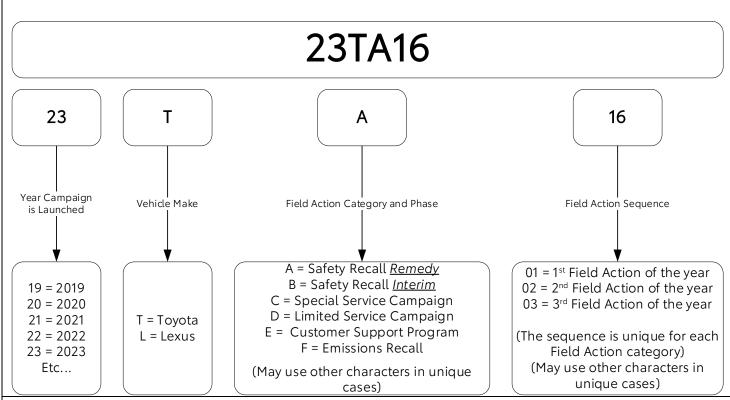
Op Code	Description	Flat Rate Hours
23TA16R1	Inspect Instrument Panel Serial Number	0.3
23TA16R2	Inspect + Secondary Inspection for Milling Marks	4.3
23TA16R3	Inspect + Replace the Instrument Panel	4.3

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- A loaner vehicle or alternative transportation through the Toyota Rent-A-Car (TRAC) program can be claimed up to a maximum of 2 days as a sublet type "RT" under Op Code 23TA16R3.
 - For rentals that exceed the maximum number of allowable days and/or dollars per day, refer to the Toyota Transportation Assistance Policy (TTAP) for DSPM authorization requirements.
 - Rental invoice MUST be attached to all rental claims. These claims may be subject to debit if rental
 invoice is not attached.

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



Examples:

19TA01 = Launched in 2019, Toyota, Safety Recall Remedy Phase, 1st Safety Recall Launched in 2019 20TC02 = Launched in 2020, Special Service Campaign, 2nd Special Service Campaign Launched in 2020 21TE05 = Launched in 2021, Customer Support Program, 5th Customer Support Program Launched in 2021

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.

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



SAFETY (NONCOMPLIANCE) RECALL 23TA16 (Remedy Notice)

Certain 2022-2023 Model Year Corolla Cross Passenger Airbag May Not Deploy as Designed

Frequently Asked Questions

Original Publication Date: December 20, 2023

Q1: What is the condition?

A1: The subject vehicles were previously inspected under a prior recall. Due to a problem with the inspection process specified by Toyota, the inspection may not have identified certain vehicles requiring the remedy. Without the remedy, the front passenger airbag may not deploy as designed due to a manufacturing error in the instrument panel where the airbag is located. As a result, the vehicles may not meet certain federal requirements, and there could be an increased risk of injury in a crash.

Q2: What is Toyota going to do?

A2: Any authorized Toyota dealer will re-inspect with an improved process, and if necessary, replace the instrument panel *FREE OF CHARGE*. Until the vehicle is re-inspected and the remedy is performed, if necessary, Toyota recommends that no one sit in the front passenger seat of an involved vehicle.

Q3: Why is my vehicle being re-inspected after I had 23TA04 completed?

A3: After launching the prior recall remedy, Toyota learned that certain vehicles inspected under the recall may not have identified those requiring the remedy due to a problem with the inspection process specified by Toyota. As such, Toyota has adjusted its inspection method and will re-inspect the vehicles.

Q3a: My vehicle is already completed for Safety Recall 23TA04; am I involved in Safety Recall 23TA16?

A3a: Only certain vehicles under Safety Recall 23TA04 are included in Safety Recall 23TA16. Please contact any authorized Toyota dealer to confirm whether your vehicles is involved in 23TA16 or visit www.toyota.com/recall and enter your VIN or license plate to see if you are affected.

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

A4: There are approximately 12,600 vehicles covered by this Safety (Noncompliance) Recall.

Model Name	Model Year	Production Period
Corolla Cross	2022-2023	Early September 2021- Early May 2023

Q5: How long will the repair take?

A5: For most vehicles, an initial inspection will only take a few minutes. If the instrument panel does not pass initial inspection, a small percentage of vehicles will require a more detailed inspection and replacement of the instrument panel, if necessary, which could take approximately 4 hours.

Q6: How does Toyota obtain my mailing information?

A6: 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.

Q7: What if I have additional questions or concerns?

A7: 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.