

TOYOTA
TOYOTA MOTOR NORTH AMERICA, INC.

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06V-188

May 30, 2006

Mr. Daniel C. Smith
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
400 Seventh Street, S.W., Room 5321
Washington, D.C. 20590

DEFECT INFORMATION REPORT
MAY 31 A.D. 12

Re: Toyota Prius Steering Intermediate Shaft Issue
Part 573, Defect Information Report

Dear Mr. Smith:

In accordance with the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 and 49 CFR Part 573, on behalf of Toyota Motor Corporation ["TMC"], we hereby submit the attached Defect Information Report concerning a voluntary safety recall of certain Toyota Prius vehicles to address an issue with the intermediate shaft of the electric power steering system.

Should you have any questions about this report, please contact Mr. Chris Santucci at (202) 775-1707.

Sincerely,

TOYOTA MOTOR NORTH AMERICA, INC.



Chris Tinto
Vice President
Technical & Regulatory Affairs

CT:cs
Attachment

DEFECT INFORMATION REPORT

1. Vehicle Manufacturer Name:

Toyota Motor Corporation ["TMC"]
 1, Toyota-cho, Toyota-city,
 Aichi-ken, 471-8571, Japan

Affiliated U.S. Sales Company

Toyota Motor Sales, USA, Inc. ["TMS"]
 19001 South Western Avenue, Torrance, CA 90509

2. Identification of Affected Vehicles:

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

Make/ Car Line	Model Year	Manufac- turer	VIN		Production Period
			VDS	VIS	
Toyota/ Prius	2004 through 2006	TMC	KB20U	0001086 – 0133248	August 5, 2003 through November 10, 2005
				3000000 – 3129959	
				7003414 – 7059090	
			KB22U	0001142 – 0133240	
				3000008 – 3129958	
				7004342 – 7059063	

Note: Although the involved vehicles are within the above VIN range, not all vehicles in this range were sold in the U.S.

Component containing defect: Steering Intermediate Shaft and Sliding Yoke

Manufacturer Name: JTEKT CORPORATION

Address: 1-1 Kotobuki-cho, Toyota-city, Aichi, 471-0834 Japan

Telephone: +81(565)28-2219

3. Total Number of Vehicles Potentially Affected:

170,856

4. Percentage of Vehicles Estimated to Actually Experience Malfunction:

Unknown

5. Description of Problem:

In the subject Prius vehicles equipped with an electric power steering system, due to insufficient strength at the intermediate shaft and sliding yoke which connects the steering wheel to the steering gear box, there is a possibility that the connection at the intermediate shaft or the intermediate extension shaft may become loose or the intermediate shaft sleeve may develop a crack under certain operating conditions where a large force is repeatedly applied to the connection (such as when the wheel is turned forcefully to the locked position at low speed or the tire contacts roadside curbs while driving). In the worst case, if the vehicle continues to be operated in this condition, the connection may separate or the shaft sleeve may fracture, which could result in the loss of steering control.

6. Chronology of Principal Events:

March 2004 – August 2005

Toyota received field information from the Japan market which indicated that a driver heard an abnormal noise while turning and then noticed that the front wheels would not turn when turning the steering wheel. Toyota immediately began an investigation on the recovered part and discovered that a part of the serration at the intermediate extension shaft was worn out. Also, Toyota received similar information in February 2005 and found that the shaft separated at the collapsible portion of the intermediate shaft due to wear of the serration at this section of the shaft. Based on our investigation, Toyota determined that these incidents may be isolated cases due to improper assembly and; therefore, improved the assembly procedure and process.

September 2005 – mid May 2006

Toyota received information on a similar incident from the European market and began an investigation, including a field examination and a test to duplicate the incident. As a result, it was found that the tires of the vehicle which experienced the problem had contacted the roadside curb repeatedly, and in this condition, an unexpected force was applied to the intermediate shaft. In addition, it was found that there is a possibility that the shaft may separate at the connecting portion or develop a crack at the welded portion on the shaft sleeve. However according to the results of the test duplicating the incident, it was determined that it could take a long period (approximately the same as a vehicle life) for this problem to occur. In order to eliminate the possibility of fracture at the shaft sleeve, the size of the shaft sleeve and the sliding yoke were modified in November 2005.

Toyota continued its investigation to identify other factors which could lead to the problem. As a result, it was found that when the wheel is turned forcefully to the locked position, the applied force on the shaft could be larger than the force applied when the tire contacts the roadside curb, which may lead to separation of the shaft or fracture at the shaft sleeve. In addition, as a result of the durability test, it was determined that the strength of the intermediate shaft and sliding yoke are only insufficient for vehicles equipped with the higher power motor for the electric power steering and the modification on the shaft sleeve and sliding yoke made in November 2005 is effective in resolving this problem.

Late May 2006

As a result of the above investigation, Toyota decided to conduct a voluntary safety recall of all vehicles in the affected range.

This safety campaign will also be conducted in Japan, Canada, Australia, Europe, China, Taiwan and other countries.

7. Description of Corrective Repair Action:

All known owners of the subject vehicles will be notified by first class mail to return their vehicles to any Toyota dealer for replacement of the steering intermediate shaft. In addition, the dealer will inspect the sliding yoke and the intermediate extension shaft and replace them if necessary.

Reimbursement Plan for pre-notification remedies

The vehicles involved were produced between August 5, 2003 and November 10, 2005. 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 the Toyota's Warranty.

8. Recall Schedule:

Mailing of the owner notifications will commence in mid June, and will be completed in mid July.

Copies of the owner notification and dealer instructions will be submitted as soon as they are available.

9. Distributor/Dealer Notification Schedule:

Notifications to distributors/dealers will be sent in early June.