

**TOYOTA**  
**TOYOTA MOTOR NORTH AMERICA, INC.**

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July 11, 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

06V-253  
(4 pages)

Re: 2004 - 2005 MY Toyota Highlander and Lexus RX330  
2006 MY Toyota Highlander Hybrid and Lexus RX400h  
Part 573, Defect Information Report

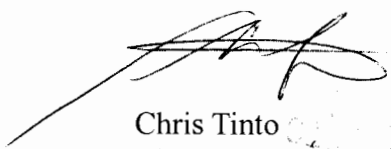
Dear Mr. Smith:

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 and Lexus vehicles to address an issue with the front carpet.

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

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## 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/ Highlander	2004 through 2005	TMC	DD21A	0073058 - 0127025	August 22, 2003 through May 24, 2005
			DP21A	0001005 - 0083482	
			ED21A	0025894 - 0035859	
			EP21A	0001045 - 0125400	
			GD21A	0073656 - 0127033	
			GP21A	0001006 - 0083483	
Toyota/ Highlander Hybrid	2006	TMC	DW21A	0001013 - 0002880	March 14, 2005 through May 24, 2005
			EW21A	0001052 - 0004167	
			GW21A	0001541 - 0002176	
			HW21A	0001275 - 0003693	
Lexus/ RX330	2004 through 2005	TMC	GA31U	0001010 - 0058102	February 10, 2003 through May 24, 2005
			HA31U	0001045 - 0095401	
Lexus/ RX400h	2006	TMC	GW31U	0001007 - 0001009	March 21, 2005 through May 24, 2005
			HW31U	0001106 - 0012403	

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

3. Total Number of Vehicles Potentially Affected:

367,594

4. Percentage of Vehicles Estimated to Actually Experience Malfunction:

Unknown

5. Description of Problem:

In certain Toyota Highlander and Lexus RX vehicles produced at the Toyota Kyushu plant, due to the improper installation of the retaining clips for the floor carpet cover located in front of the center console, there is a possibility that the clips may become loose. If both clips separate from the floor carpet cover, the cover may lean toward the accelerator pedal, causing interference with the accelerator pedal rod. In the worst case, the accelerator pedal may temporarily become stuck in a partially depressed position when returning to the idle position.

6. Chronology of Principal Events:

January 2005 – late May 2005

Toyota received some field information which indicated that the floor carpet cover located in front of the center console would not remain in place and had contacted the accelerator pedal due to missing retaining clips. Toyota immediately began an investigation and found no abnormality with the parts, but found that it was difficult to install the clip during the assembly process due to the location of the cover and the shape of the clip. Therefore, although Toyota believed that it was most likely that the cover was removed when an optional part was installed at the dealer and that the dealer might not reinstall the clips, the clip was changed in May 2005 to one which is easier to install.

Late November 2005 – late June 2006

Toyota received some additional field information which indicated that the accelerator pedal had stuck in a partially depressed position due to interference with the floor carpet cover. Toyota reopened the investigation, and initiated a field survey to check the condition of the clips and all related parts. As a result of the survey, no cases were found where both clips were missing, but in some vehicles, one of the two clips had come off. In addition, the holes of the cover and the related parts in which the clips are installed were slightly out of alignment in many of the vehicles produced at the Toyota Kyushu plant, but not in most of the vehicles produced at the plant in Canada. As a result of the investigation, it was determined that if the holes were out of alignment together with the difficulty in installing the clips during the assembly process, there was a possibility that the clip installed before the design change might not have been installed properly.

Early July 2006

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

This campaign will also be conducted in Canada, China, Taiwan, Europe 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 Lexus or Toyota dealer for installation of new clips.

### Reimbursement Plan for pre-notification remedies

The owner letter will instruct vehicle owners that have had their clip(s) installed for a similar condition prior to this campaign to seek reimbursement by mailing a copy of their repair order, proof-of-payment, and proof-of-ownership for reimbursement consideration.

- (i) The beginning date of the Toyota reimbursement plan will be:  
The reimbursement plan will cover repairs made no earlier than the following date, when the first vehicles of each subject vehicle were manufactured.

Toyota Highlander:	August 22, 2003
Toyota Highlander Hybrid:	March 14, 2005
Lexus RX330:	February 10, 2003
Lexus RX400h	March 21, 2005
- (ii) The ending date of Toyota reimbursement plan will be:  
The ending date shall be at least 10 calendar days after the date on which the last owner notification was mailed, however Toyota will further review requests for reimbursement from involved vehicle owners on a case-by-case basis.
- (iii) Toyota may exclude reimbursement, if:
  - a. the pre-notification repair was not of the same type (repair, replacement, or refund of purchase price) as the recall remedy;
  - b. the pre-notification repair was not reasonably necessary to correct the defect or noncompliance that led to the recall or a manifestation of the defect or noncompliance;
  - c. the pre-notification remedy was not reasonably necessary to correct the defect or noncompliance; or;
  - d. the repair was conducted as a result of vehicle accident, debris or another reason not specifically related to the defect or noncompliance.
- (iv) Toyota will reimburse eligible customers for at least the cost of the clip(s) and the installation labor. Other costs may be reimbursed on a case-by-case basis.
- (v) Owners requesting reimbursement must submit the appropriate documentation: repair order, reason for replacement, proof-of-payment, and proof-of-ownership to Toyota for reimbursement consideration.

#### 8. Recall Schedule:

Mailing of the owner notifications will commence in late July, 2006, and will be completed in early September, 2006.

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 mid-July, 2006.