

Richard Jung / TMS Customer Services Division
July 11, 2006
Approved By: David Zellers

To: All Toyota Dealers
From: Toyota Customer Services

**Special Service Campaign (SSC) 60F
2004 Through 2005 Highlander And Early 2006 Highlander HV
Center Console (Floor Carpet Cover) Retaining Clips
*****URGENT*******

In mid-July, 2006, Toyota will initiate a Special Service Campaign (Safety Recall) on certain 2004 and 2005 Highlander and early 2006 Highlander HV vehicles.

On July 11, 2006, Toyota filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) regarding certain 2004 through 2005 Highlander and early 2006 Highlander HV vehicles. Due to improper installation, the two Retaining Clips for the driver's side forward Center Console (Floor Carpet Cover) can 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.

This campaign will entail the replacement of the two driver's side Floor Carpet Cover Retaining Clips with improved ones.

There are approximately 232,000 Highlander (2004 through 2005 model year) and 3,700 Highlander HV (early 2006 model year) vehicles involved in the U.S.

A dealer package including technical instructions and reimbursement procedures will be mailed to dealers in mid-July 2006.

Toyota will inform owners of the involved vehicles with a Special Service Campaign notification letter sent via first class mail beginning in late July, approximately one week after the dealer notification.

- **All customer inquires should be directed to the Toyota Customer Experience Center at 1-800-331-4331.**
- If you are a dealership associate and have any questions, please contact your District Service/Parts Manager.
- For **News media inquiries only**, they should be directed to Ming-Jou Chen (310) 468-4782 or Bill Kwong (310) 468-3764, in Toyota Corporate Communications. (Please do not provide these numbers to customers or call if you are a dealer associate.)

The following Q&A has been provided for your reference.



**Special Service Campaign (SSC) - 60F (Safety Recall)
Certain 2004 through 2005 Highlander and Early 2006 Highlander HV Center Console (Floor
Carpet Cover) Retaining Clips Q&A**

Q1: What is the condition?

A1: In certain 2004 through 2005 model year Highlander and early 2006 model year Highlander Hybrid (HV) vehicles, due to improper installation, the two Retaining Clips for the driver's side forward Center Console (Floor Carpet Cover) can 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.

Q2: What is the cause of this condition?

A2: The two original Floor Carpet Cover Retaining Clips were not installed properly.

Q3: Are there any warnings that this condition exists?

A3: No, there are no specific warnings that this condition will occur.

Q4: Which and how many vehicles are involved?

A4: There are approximately 232,000 Highlander (2004 through 2005 model year) and 3,700 Highlander HV (early 2006 model year) vehicles involved in the U.S.

Q5: What is the production period of the affected vehicles?

A5: The affected Toyota Highlander vehicles were produced from August 22, 2003 to May 24, 2005.

Q6: Are there any other Toyota or Lexus vehicles involved?

A6: Yes, this condition also affects approximately 123,500 Japan-built Lexus RX 330 (certain 2004 through 2005 model year) and approximately 8,300 RX 400h (early 2006 model year) vehicles.

Q7: How many incidents of this condition have been reported?

A7: There have been 7 cases of this condition reported in the affected vehicles.

Q8: Have there been any accidents reported?

A8: There have been 2 accidents reported which are possibly related to this condition.

Q9: Have there been any reports of deaths or injuries?

A9: There have been no deaths or injuries reported related to this condition.

Q10: What is Toyota going to do?

A10: Owners of the involved vehicles will receive a Special Service Campaign notification by first class mail beginning late July, 2006. Toyota dealers will replace the two driver's side Floor Carpet Cover Retaining Clips with improved ones at **NO CHARGE** to the customer.

Q11: How long will the repair take?

A11: The replacement will take approximately 15 minutes. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q12: What should an owner do if they experience the condition?

A12: Owners are requested to contact their local Toyota dealer for diagnosis and repair.

TOYOTA CUSTOMER SERVICES

Volume: XIII
Number: TC06-010
Date: 07/11/2006
 Action
 Retain
 Information

INTEROFFICE MEMORANDUM

TO: ALL REGION/PRIVATE DISTRIBUTOR GENERAL MANAGERS/
VICE PRESIDENTS

FROM: DAVE ZELLERS, *Dave*
VICE PRESIDENT, PRODUCT QUALITY & SERVICE SUPPORT

SUBJECT: SPECIAL SERVICE CAMPAIGN (SSC) – 60F (SAFETY RECALL)
2004 THROUGH 2005 HIGHLANDER AND EARLY 2006 HIGHLANDER HV
CENTER CONSOLE (FLOOR CARPET COVER) RETAINING CLIPS

Toyota will initiate a Special Service Campaign to replace the Center Console (Floor Carpet Cover) Retaining Clips on certain 2004 through 2005 Model Year Highlander vehicles and certain early 2006 Model Year Highlander HV vehicles.

In certain 2004 through 2005 model year Highlander and early 2006 model year Highlander Hybrid (HV) vehicles, due to improper installation, the two Retaining Clips for the driver's side forward Center Console (Floor Carpet Cover) can 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.

The following vital information is provided to inform you and your staff of the owner notification phase of the campaign and your degree of involvement.

1. **Dealer Letter Mailing Date**

The attached Dealer Letter will be sent to all Toyota dealers in mid-July, 2006.

2. **Owner Notification Mailing Date**

The owner notification will commence in late July, 2006, approximately one week after the dealer notification.

Please note that only owners of the affected vehicles will be notified. If a dealer is contacted by an owner of an involved vehicle, who has not yet received a notification, please instruct them to **verify eligibility by confirming through Dealer Daily/TIS prior to performing repairs**. Dealers should perform the repair as outlined in the attached Technical Instructions.

3. **Number of Vehicles Involved**

There are approximately 232,000 Highlander (2004 through 2005 model year) and 3,700 Highlander HV (early 2006 model year) vehicles involved in the U.S.

4. Region/District Summary Reports

We have enclosed the following SSC 60F Summary Reports in the Region/Private Distributor (PD) Service Manager/Customer Service Operations Manager/Director of Service package:

- Region/PD Summary Report that provides an overview of the entire Region/PD for this SSC.
- A District Summary Report that indicates the number of involved vehicles per dealership in each district for this campaign.

5. Vehicles in Dealer Stock

As required by Federal Regulation, dealers are not to deliver any vehicle acquired in their inventory, which is involved in a safety recall, until the necessary inspections/replacements have been performed.

6. Parts Ordering

The necessary parts can be ordered through the dealer's facing PDC. Please refer to the table below and the Technical Instructions for part number information.

Part Number	Part Description	Quantity
04006-26148	Package of 2 Retaining Clips	1

7. Repair Procedures

Refer to the attached Technical Instructions and appropriate Repair Manual as indicated.

8. Reimbursement Procedures

Please refer to the Reimbursement Procedures found in the attached Dealer Letter.

9. Reimbursement for Clip Replacement, prior to the launch of this SSC

As required by Federal Regulation, customers may request reimbursement, if they have previously paid for the replacement/reinstallation of the driver's side Floor Carpet Cover Retaining Clips for this specific condition prior to receiving the owner letter. Customers requesting reimbursement are requested to mail a copy of their repair order, proof-of-payment, and proof-of-ownership to the following address for reimbursement consideration:

Toyota Motor Sales, U.S.A., Inc.
Customer Experience, WC10
19001 South Western Avenue
Torrance, CA 90509

They must include their name, address, and telephone number(s) in the request. It will take approximately 4 to 6 weeks to review their request.

Please review this entire Special Service Campaign package with the appropriate associates so that they may provide the necessary support to your dealers and maximize our combined customer satisfaction efforts.

Thank you for your cooperation.

TOYOTA MOTOR SALES, U.S.A, INC.

Enclosures



Toyota Motor Sales, U.S.A., Inc.
19001 South Western Avenue
P.O. Box 2991
Torrance, CA 90509-2991

TO: ALL TOYOTA DEALER PRINCIPALS,
SERVICE MANAGERS, PARTS MANAGERS

SUBJECT: SPECIAL SERVICE CAMPAIGN (SSC) – 60F (SAFETY RECALL)
2004 THROUGH 2005 HIGHLANDER AND EARLY 2006 HIGHLANDER HV
CENTER CONSOLE (FLOOR CARPET COVER) RETAINING CLIPS

Toyota will initiate a Special Service Campaign to replace the Center Console (Floor Carpet Cover) Retaining Clips on certain 2004 through 2005 Model Year Highlander vehicles and certain early 2006 Model Year Highlander HV vehicles.

In certain 2004 through 2005 model year Highlander and early 2006 model year Highlander Hybrid (HV) vehicles, due to improper installation, the two Retaining Clips for the driver's side forward Center Console (Floor Carpet Cover) can 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.

The following vital information is provided to inform you and your staff of the owner notification phase of the campaign and your degree of involvement.

1. Owner Notification Letter Mailing Date

The owner notification will commence in late July, 2006, approximately one week after the dealer notification.

Please note that only owners of the affected vehicles will be notified. If you are contacted by an owner of an involved vehicle, who has not yet received a notification, please **verify eligibility by confirming through Dealer Daily/TIS prior to performing repairs**. Dealers should perform the replacement as outlined in the attached Technical Instructions.

2. Vehicles in Dealer Stock

As required by Federal Regulation, dealers are not to deliver any vehicle acquired in their inventory, which is involved in a safety recall, until the necessary repair has been performed.

3. Dealer/Owner Lists

Affected vehicle VIN lists (VIN only due to changes in Privacy Laws) for the SSC 60F campaign have been distributed to each dealership's Service and Parts Managers. These lists are based upon the dealership's Primary Marketing Area (PMA) or selling dealership where applicable. Based upon our records, a dealership which does not have an affected vehicle in their PMA will receive a report indicating so.

4. Number and Identification of Involved Vehicles

There are approximately 232,000 Highlander (2004 through 2005 model year) and 3,700 Highlander HV (early 2006 model year) vehicles involved in the U.S.

Model	Year	VIN Range	
		VDS	Ranges
Highlander	2004	DD21A	0073058 – 0105659
		DP21A	0001005 – 0043214
		ED21A	0025894 – 0031832
		EP21A	0001045 – 0067233
		GD21A	0073656 – 0105684
		GP21A	0001006 – 0043210
		HD21A	0025363 – 0033057
	2005	DD21A	0105687 – 0127025
		DP21A	0043215 – 0083482
		ED21A	0033309 – 0035859
		EP21A	0067234 – 0125400
		GD21A	0105182 – 0127033
		GP21A	0042673 – 0083483
		HD21A	0033060 – 0039000
Highlander Hybrid	2006	DW21A	0001013 – 0002880
		EW21A	0001052 – 0004167
		GW21A	0001541 – 0002176
		HW21A	0001275 – 0003693

Please note that not all vehicles in the VIN range are affected by this SSC. If a dealer is contacted by an owner of an involved vehicle, who has not yet received a notification, please instruct them to **verify eligibility by confirming through Dealer Daily/TIS prior to performing repairs**. Dealers should perform the inspections/replacements as outlined in the attached Technical Instructions.

5. Parts Ordering

The necessary parts can be ordered through the dealer's facing PDC. Please refer to the table below and the Technical Instructions for part number information.

Part Number	Part Description	Quantity
04006-26148	Package of 2 Retaining Clips	1

[Parts Ordering Continued...]

A UIO by state matrix is listed below to inform dealers of the number of vehicles in their area.

STATE	UIO	STATE	UIO	STATE	UIO	STATE	UIO	STATE	UIO
AK	389	GA	6566	ME	960	NJ	9689	SD	275
AL	2502	IA	1364	MI	3243	NM	1064	TN	3124
AR	1249	ID	592	MN	3509	NV	2074	TX	11857
AZ	4570	IL	9995	MO	2837	NY	14873	UT	1085
CA	37113	IN	2841	MS	868	OH	7147	VA	8788
CO	3938	KS	1512	MT	440	OK	1316	VT	670
CT	3710	KY	2877	NC	8216	OR	2524	WA	4361
DC	304	LA	2806	ND	265	PA	9929	WI	3649
DE	789	MA	10073	NE	855	RI	1160	WV	902
FL	17698	MD	8078	NH	2034	SC	3209	WY	271

6. Repair Procedures

Refer to the attached Technical Instructions and appropriate Repair Manual as indicated.

7. Reimbursement Procedures

Submit Special Service Campaign claims following the procedures described in the Toyota Warranty Policy and Procedures Manual.

The operation codes to be used for this campaign are:

SSC #	Op. Code	Description	Flat Rate Hour
60F	6516F2	Replace the 2 Center Console (Floor Carpet Cover) Retaining Clips	0.2 hr/vehicle

NOTE: The above flat rate time(s) include 0.1 hour in each campaign for administrative cost per unit for the dealership.

8. Reimbursement for Clip Replacement, prior to the launch of this SSC

As required by Federal Regulation, customers may request reimbursement, if they have previously paid for the replacement/reinstallation of the driver's side Floor Carpet Cover Retaining Clips for this specific condition prior to receiving the owner letter. Customers requesting reimbursement are requested to mail a copy of their repair order, proof-of-payment, and proof-of-ownership to the following address for reimbursement consideration:

Toyota Motor Sales, U.S.A., Inc.
Customer Experience, WC10
19001 South Western Avenue
Torrance, CA 90509

They must include their name, address, and telephone number(s) in the request. It will take approximately 4 to 6 weeks to review their request.

Please review this entire package with your Service and Parts staff to familiarize them with the proper step-by-step procedures required to implement this Special Service Campaign.

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

**Special Service Campaign 60F
2004 through 2005 Highlander and early 2006 Highlander HV
Center Console (Floor Carpet Cover) Retaining Clips
Safety Recall Notice**

Dear Toyota Customer:

This notice is being sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Toyota has decided that a defect, which relates to motor vehicle safety, exists in certain 2004 through 2005 model year Highlander and early 2006 model year Highlander Hybrid (HV) vehicles.

What is the problem?

In certain 2004 through 2005 model year Highlander and early 2006 model year Highlander HV vehicles, the two Retaining Clips for the driver's side forward Center Console (Floor Carpet Cover) can 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, this condition may interfere with the accelerator pedal returning to the idle position and thus may increase the possibility of a crash.

What will Toyota do?

Any Toyota dealer will replace the two Floor Carpet Cover Retaining Clips with improved ones at **NO CHARGE** to you.

What should you do?

This is an important Safety Recall

Please contact your authorized Toyota dealer to make an appointment to replace the clips with improved ones as soon as possible. The repair will take approximately half an hour. However, depending upon the dealer's work schedule, it may be necessary to make your vehicle available for a longer period of time.

We request that you present this notice to the dealer at the time of your service appointment.

If you no longer own the vehicle, please indicate so on the enclosed postage-paid form, providing us with the name and address of the new owner.

What if you have other questions?

Your local Toyota dealer will be more than happy to answer any of your questions and set up an appointment to perform the repair. If you require further assistance, you may contact the Toyota Customer Experience Center at 1-888-270-9371 Monday through Friday, 5:00 am to 9:30 pm, Saturday and Sunday 7:00 am through 3:00 pm Pacific Standard Time.

What if you have previously paid for the replacement/reinstallation of the driver's side Floor Carpet Cover Retaining Clips for this specific condition?

If you have previously paid for the replacement/reinstallation of the driver's side Floor Carpet Cover Retaining Clips for this specific condition **prior** to receiving this letter, please mail a copy of your repair order, proof-of-payment, and proof-of-ownership to the following address for reimbursement consideration.

Toyota Motor Sales, U.S.A., Inc.
Customer Experience, WC10
19001 South Western Avenue
Torrance, CA 90509

Include your name, address, and telephone number(s) in your request. Please allow 4 to 6 weeks to review your request.

If you believe that the dealer or Toyota has failed or is unable to remedy the defect within a reasonable time, you may submit a complaint to the Administrator, National Highway Traffic Safety Administration, 400 Seventh Street S.W., Washington, D.C. 20590, or call the toll free Vehicle Safety Hot Line at 1-888-327-4236 (TTY: 1-800-424-9153), or go to <http://www.safercar.gov>.

If you are a vehicle lessor, Federal law requires that any vehicle lessor receiving this recall notice must forward a copy of this notice to the lessee within ten days.

We have sent this notice in the interest of your continued satisfaction with our products, and we sincerely regret any inconvenience this condition may have caused you.

Thank you for driving a Toyota.

Sincerely,

TOYOTA MOTOR SALES, U.S.A., INC.

TECHNICAL INSTRUCTIONS

FOR

SPECIAL SERVICE CAMPAIGN 60F

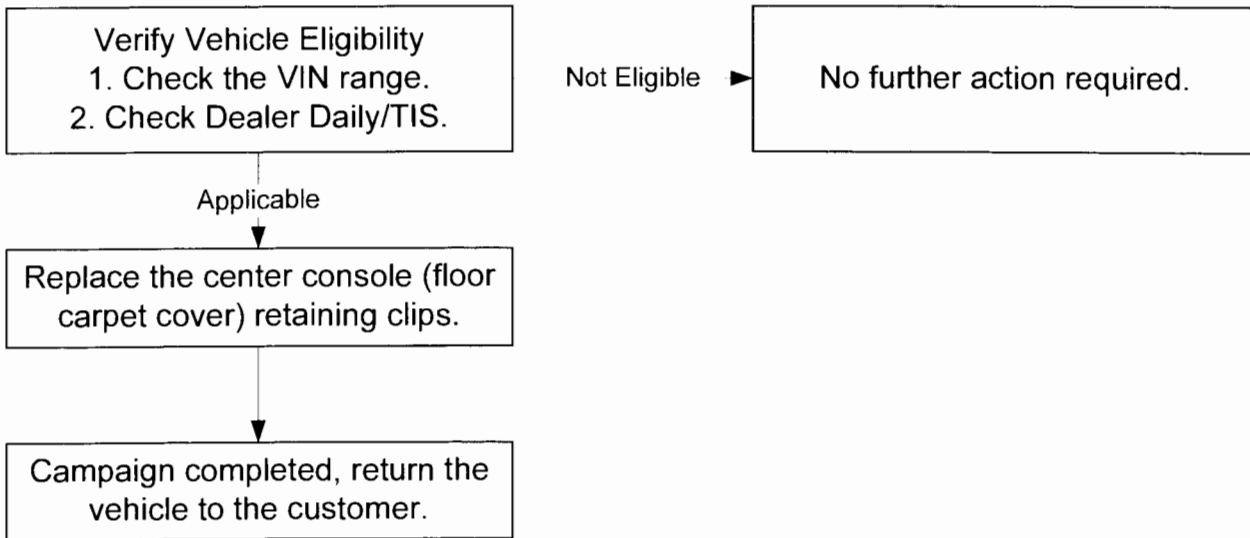
CENTER CONSOLE (FLOOR CARPET COVER)

RETAINING CLIP REPLACEMENT

FOR

2004 THROUGH 2005 HIGHLANDER AND
EARLY 2006 HIGHLANDER HV

I. OPERATION FLOW CHART



II. IDENTIFICATION OF AFFECTED VEHICLES

A. AFFECTED VIN RANGE

Model	Year	VIN Range	
		VDS	Ranges
Highlander	2004	DD21A	0073058 – 0105659
		DP21A	0001005 – 0043214
		ED21A	0025894 – 0031832
		EP21A	0001045 – 0067233
		GD21A	0073656 – 0105684
		GP21A	0001006 – 0043210
		HD21A	0025363 – 0033057
	2005	DD21A	0105687 – 0127025
		DP21A	0043215 – 0083482
		ED21A	0033309 – 0035859
		EP21A	0067234 – 0125400
		GD21A	0105182 – 0127033
		GP21A	0042673 – 0083483
		HD21A	0033060 – 0039000
Highlander Hybrid	2006	DW21A	0001013 – 0002880
		EW21A	0001052 – 0004167
		GW21A	0001541 – 0002176
		HW21A	0001275 – 0003693

NOTE:

Not all vehicles in the VIN range are affected. As always, consult Dealer Daily/TIS to confirm VIN eligibility and to assure the SSC is applicable. This will verify the vehicle is affected and has not already been completed prior to dealer shipment or by another dealer. TMS warranty will not reimburse dealers for repairs conducted on vehicles that are not affected or were completed by another dealer.

III. PREPARATION

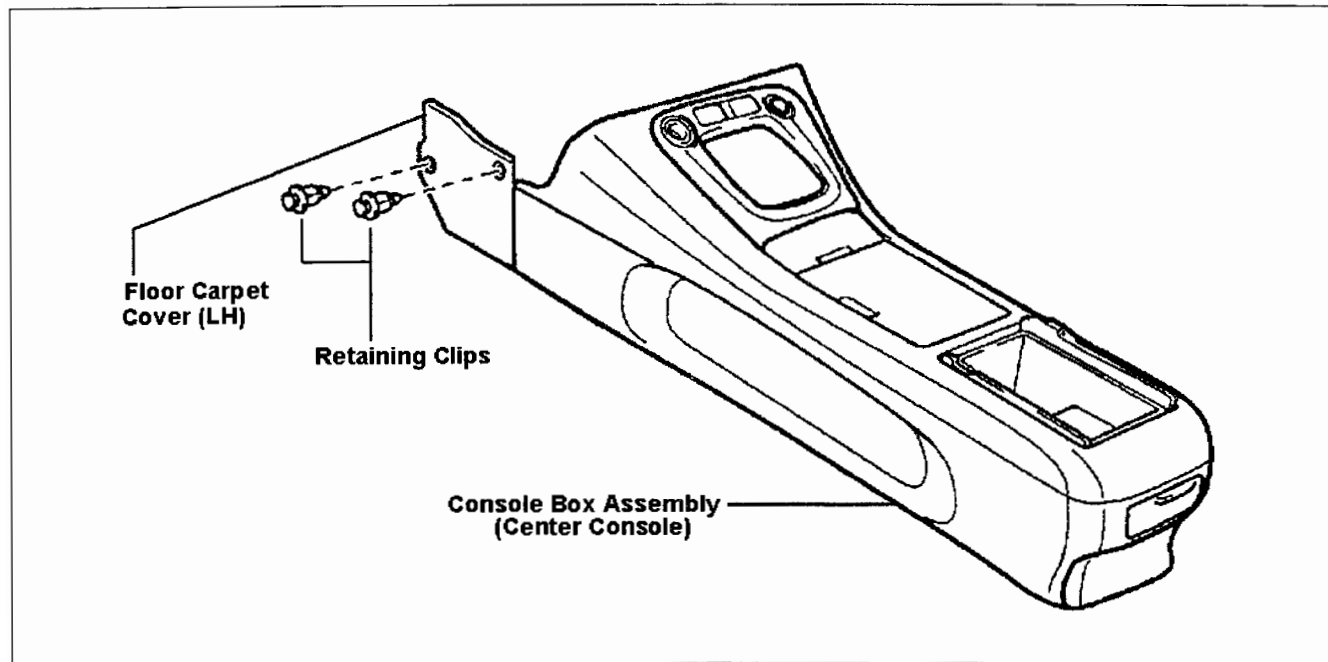
A. PARTS

Part Number	Part Description	Quantity
04006-26148	Package of 2 Retaining Clips	1

B. TOOLS

- Standard hand tools

IV. COMPONENTS

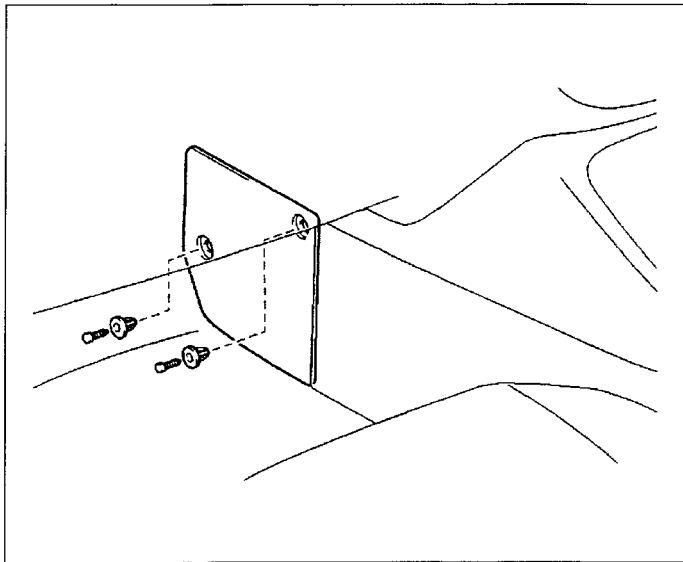


V. BACKGROUND

In certain 2004 through 2005 model year Highlander and early 2006 model year Highlander Hybrid (HV) vehicles, due to improper installation, the two Retaining Clips for the driver's side forward Center Console (Floor Carpet Cover) can 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.

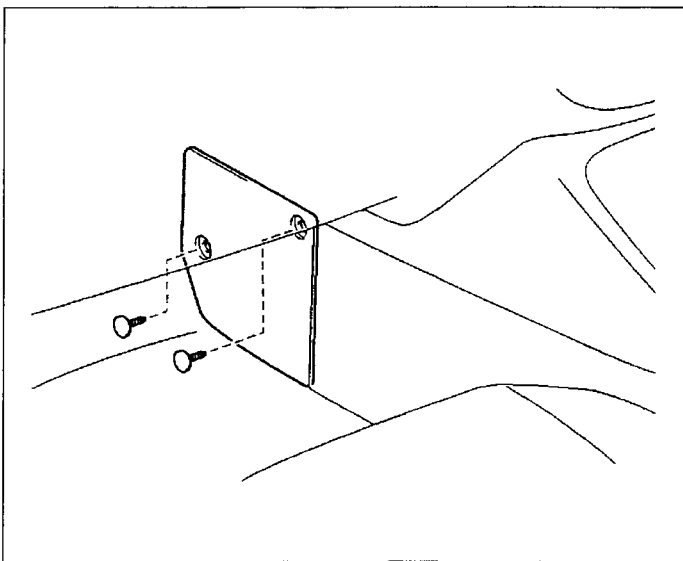
VI. WORK PROCEDURE

A. REPLACE THE FLOOR CARPET COVER RETAINING CLIPS



1. REMOVE THE CLIPS

- a) Remove, **destroy** and **discard** the 2 clips.



2. INSTALL THE NEW CLIPS

- a) Install the 2 **NEW** clips.
- b) Make sure the 2 **NEW** clips are fastened correctly and fully installed by pressing on them firmly.

VII. RECALLED PARTS DISPOSAL

As required by Federal Regulations, please make sure all recalled parts (original parts) removed from the vehicle are disposed of in a manner in which they will not be reused.