Mark Kubota / TMS Toyota Customer Services Product Quality and Service Support, Quality Compliance June 1, 2011

Approved By: Bob Waltz

To: All Toyota Dealers

From: Toyota Customer Services

Safety Recall B0G – *Preliminary Notice*2001 through 2003 Model Year Prius Vehicles – Electric Power Steering (EPS) Pinion Shaft Nuts
*******URGENT******

On June 1, 2011, Toyota filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall on 2001 through 2003 Model Year Prius vehicles to replace the Electric Power Steering (EPS) Pinion Shaft Nuts.

Condition

• In the EPS system of the 2001 through 2003 Prius, due to the inadequate fixation of nuts that secure the pinion shaft in the steering gear box assembly, if the steering wheel is repeatedly and strongly turned to the full-lock position, there is a possibility that the nuts may become loose. If the vehicle is continuously operated in this condition, the pinion shaft may become unstable which may cause power generated by the electric motor to not be fully transmitted, which could result in significant increased steering effort when making a left turn increasing the risk of a crash.

Covered Vehicles

- There are approximately 52,000 Prius (2001 through 2003 model year) vehicles covered by this Safety Recall.
- The vehicles were produced from late January, 2000 to late May, 2003.

Status

- B0G ("B1G" until the remedy is launched) Preliminary Notification documents will be posted on TIS starting
 the morning of Wednesday, June 1, 2011. For reference purposes only, VINs covered by this Safety
 Recall will be searchable on TIS starting Wednesday morning, June 1, 2011 (Pacific Time).
- Toyota will replace the nuts which secure the pinion shaft with different ones at NO CHARGE to the vehicle owner. Toyota is currently preparing the remedy parts. We anticipate that sufficient remedy parts will become available in late June, 2011.
- Dealers will receive a Safety Recall Dealer package in *late June*, 2011.
- Owner notification letters sent by first class mail will begin mailing in early July, 2011.

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 Brian Lyons (310) 468-2552 in Toyota Corporate Communications. (Please do not provide this number to customers. Please provide this contact to only media associates.)

Customer Contacts

- A Q&A has been attached for your use in the event you receive a customer contact. If a customer has
 further questions, please direct the inquiry to the Toyota Customer Experience Center at 1-800-331-4331.
- If a customer believes his/her vehicle's has the condition, he/she is asked to contact his/her local Toyota dealer for diagnosis and, if applicable, repair.



Safety Recall B0G 2001 through 2003 Model Year Prius Vehicles Electric Power Steering (EPS) Pinion Shaft Nuts Q&A

Background

On June 1, 2011, Toyota filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall on Certain 2001 - 2003 Model Year Prius vehicles.

Q1: What is the condition?

A1: In the EPS system of the 2001 through 2003 Prius, due to the inadequate fixation of nuts that secure the pinion shaft in the steering gear box assembly, if the steering wheel is repeatedly and strongly turned to the full-lock position, there is a possibility that the nuts may become loose. If the vehicle is continuously operated in this condition, the pinion shaft may become unstable which may cause power generated by the electric motor to not be fully transmitted, which could result in significant increased steering effort when making a left turn increasing the risk of a crash.

Q2: What is the EPS system?

A2: The Electric Power Steering (EPS) system provides power assistance to reduce steering effort. It generates torque using a power steering motor and a reduction mechanism which are assembled in the steering gear box assembly.

Q3: Are there any warnings that this condition exists?

A3: Over time, the customer will gradually notice that it takes more effort to turn the steering wheel in a left turn.

Q4: Which and how many vehicles are covered by this Safety Recall Campaign?

A4: There are approximately 52,000 Toyota Prius (2001 through 2003 model year) vehicles covered by this Safety Recall.

Q4a: What is the production period of the covered vehicles?

A4a: The covered Prius vehicles were produced from late January, 2000 to late May, 2003.

Q4b: Are there any other Toyota or Lexus vehicles covered?

A4b: No, this specific condition only covers 2001 through 2003 model year Prius vehicles.

Q5: What is Toyota going to do?

A5: Any authorized Toyota dealer will replace the nuts which secure the pinion shaft with different ones at **NO CHARGE** to the vehicle owner. Toyota anticipates parts will become available in sufficient quantities starting in late June 2011. Owner notification letters sent by first class mail will begin mailing in early July, **2011**.

Q6: How long will the repair take?

A6: The repair will take approximately 4 hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q7: What if an owner has previously paid for repair to address the condition described above?

A7: Reimbursement consideration instructions will be provided in the Remedy owner letter.

Q8: What should an owner do if they experience the condition or have immediate concerns about the current safety of their vehicle?

A8: Owners with questions or concerns are asked to please contact the Toyota Customer Experience Center at 1-888-270-9371 Monday through Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am through 4:00 pm Pacific Time.



Safety Recall B0G 2001 through 2003 Model Year Prius Vehicles Electric Power Steering (EPS) Pinion Shaft Nuts Q&A

Background

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Q1: What is the condition?

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TOYOTA Fast Facts

May 31, 2011

Toyota Fast Facts is an update on Toyota and industry news. Please feel free to share this information with family and friends. For more news, visit www.toyotanewsroom.com.

TMC Announces Voluntary Recall of Certain Prius Vehicles

Toyota Motor Corporation (TMC) today announced a voluntary safety recall of approximately 52,000 Model-Year 2001 through 2003 Prius vehicles sold in the United States to replace the electric power steering pinion shaft attachment nuts. These vehicles are part of a global recall by TMC of 106,000 Prius vehicles. If the steering wheel is repeatedly and strongly turned to the full-lock position, there is a possibility the nuts securing the pinion shaft in the steering gear box assembly may become loose. If the vehicle is continuously operated in this condition, over time, the customer will gradually notice significant increased steering effort when making a left turn. Dealers will install improved nuts that secure the pinion shaft.

Separately, TMC also announced that 34 Venza and 16 Sienna AWD vehicles will be recalled to replace an insufficiently heat-treated front right-hand driveshaft. All of these vehicles are recently produced 2011 model year. Only 38 are expected to have an insufficiently heat-treated driveshaft. Due to insufficient heat treatment, there is a possibility that the front right-hand driveshaft may break. If this occurs, engine power will not be transmitted to the wheels and the vehicle will coast to a stop. No other Toyota or Lexus vehicles are involved in these recalls and the driveshaft recall only involves vehicles in the United States and Canada.

To learn more about these recalls, please click on http://pressroom.toyota.com/releases/toyota+voluntary+safety+recall+prius+june+2011.htm?view_id=398 90