

October 24, 2016

Toyota Motor Sales, USA, Inc. 19001 South Western Avenue Torrance, CA 90501 (310) 468-4000

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

Subject: Safety Recall G01 – Remedy Notice

Certain 2016 - 2017 Model Year Prius Vehicles

Parking Brake Cable

On October 12, 2016 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 2016 - 2017 model year Prius vehicles.

Condition

In the subject vehicles, there is a possibility that the parking brake could become inoperative. If this occurs and the driver exits the vehicle with the transmission in a gear other than "Park" while the ignition is on, the vehicle could roll away, increasing the risk of a crash.

Remedy

Any authorized Toyota dealer will install clips on the ends of the parking brake cables to prevent the parking brake from becoming inoperative at **NO CHARGE**.

Covered Vehicles

There are approximately 92,000 2016 - 2017 model year Prius vehicles covered by this Safety Recall. Approximately 80 vehicles involved in this Safety Recall were distributed to Puerto Rico.

Model Name	Model Year	Production Period
Prius	2016 - 2017	Early August 2015 – Early October 2016

Owner Letter Mailing Date

Toyota expects to begin to notify owners in November 2016.

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 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.

New Vehicles in Dealership Inventory

There are approximately 19,500 vehicles in new dealer inventory as of October 11, 2016.



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. In addition, 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.

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.

Inspection Reminder Mirror Hang Tags for Covered Vehicles in New Dealer Stock

To easily recognize vehicles involved in this Safety 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

Pre-Owned Vehicles in Dealer Inventory

Toyota requests that dealers do not deliver any pre-owned vehicles in dealer inventory that are covered by a Safety Recall unless the defect has been remedied.

Also, as a reminder, Toyota Certified Used Vehicle (TCUV) policy <u>prohibits</u> the certification of any vehicle with an outstanding Safety Recall. Thus, no affected units should be designated, sold, or delivered as a TCUV until the Safety Recall has 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.

Technician Training Requirements

The repair quality of covered vehicles is extremely important to Toyota. All dealership technicians performing this recall 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 recall repair are required to currently hold <u>at least one</u> of the following certification levels:

• All technicians in Staffmaster are eligible to perform this repair with successful completion of the most current version of the E-Learning course (Safety Recall and Service Campaign Essentials) currently SC15A.

It is the dealership's responsibility to select technicians with the above certification level or greater to perform this recall 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

Please refer to TIS for Technical Instructions on the repair. Conduct all non-completed Safety Recalls and Service Campaigns on the vehicle during the time of the 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 Ordering Process - Non SET and GST Parts Ordering Process

Due to potentially limited availability, the parts may have been placed on either Manual Allocation Control (MAC) or Dealer Ordering Solutions (DOS). As the parts inventory changes, the ordering process may change. Please check the Toyota Special Activities MAC/DOS report on Dealer Daily for the most up-to-date parts ordering information.

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.

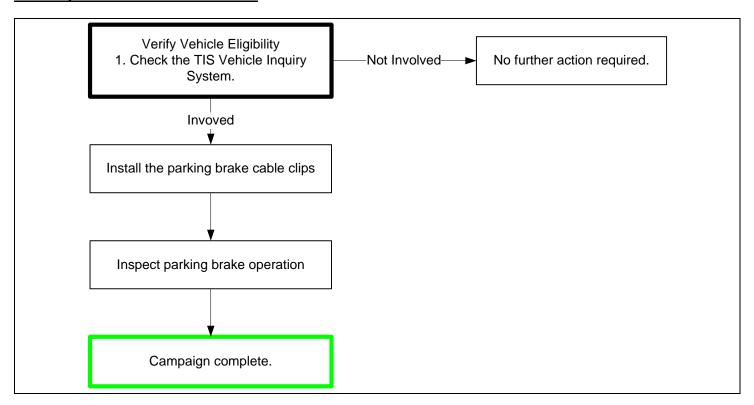
Part Number	Description	Quantity
04006-53147	Parking brake clip kit	1

Parts Pre-Deployment

Toyota has pre-deployed an initial quantity of remedy parts to each dealer. Pre-deployed parts will begin to arrive at dealers between October 25 and October 26.

Dealers should use the **Parts Ordering Process**, described above, to order additional remedy parts as necessary.

Warranty Reimbursement Procedure



Opcode	Description	Flat Rate Hours
CGG64A	Install the parking brake clips	0.6

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- In the unlikely case that a vehicle has clips already installed on the ends of the parking brake cables (no repair needed), use opcode CGG64A.

Media Contacts

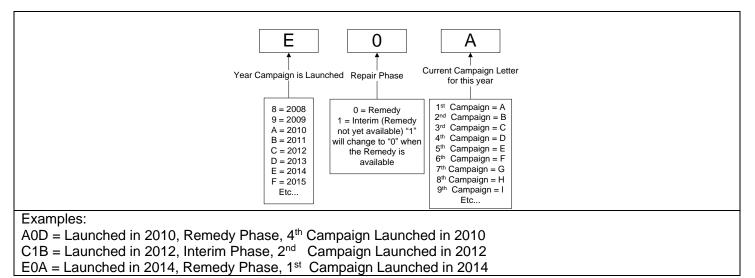
It is imperative that all media contacts (local and national) receive a consistent message. In this regard, all media contacts must be directed to Victor Vanov (469) 292-1318 in Toyota Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media associates.

Customer Contacts

Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or the Safety 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 Customer Experience Center (1-888-270-9371) - Monday through Friday, 7:00 am to 7:00 pm, Saturday 7:00 am to 4:30 pm Central Time.

Campaign Designation Decoder



Please review this entire package with your Service and Parts staff to familiarize them with the proper stepby-step procedures required to implement this Safety Recall.

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



Safety Recall G01 – *Remedy Notice*Certain 2016 - 2017 Model Year Prius Vehicles
Parking Brake Cable

Frequently Asked Questions Published October 24, 2016

Q1: What is the condition?

A1: In the subject vehicles, there is a possibility that the parking brake could become inoperative. If this occurs and the driver exits the vehicle with the transmission in a gear other than "Park" while the ignition is on, the vehicle could roll away, increasing the risk of a crash.

Q1a: What causes the condition to occur?

A1a: The condition is caused by the ends of the parking brake cables becoming disengaged from the crank levers on the rear brake calipers.

Q1b: If the condition occurs, is it possible for the vehicle to roll away while the vehicle is parked?

A1b: The subject vehicles automatically engage the "Park" gear when the ignition is turned-off; therefore, the vehicle will be held in the park position. In addition, if the driver opens the door to leave the vehicle while a gear is in a position other than "Park" and the ignition is "ON", a warning buzzer will sound and a warning message will appear on the information display. However, if the transmission is left in a gear other than "Park" while the vehicle is parked with ignition "ON" and the driver exits the vehicle despite the warnings, the vehicle could roll away.

Q1c: Does this condition affect any other brake system on the vehicle?

A1c: No. This condition only affects the parking brake system.

Q2: What is Toyota going to do?

A2: Toyota will send, in November 2016, an owner notification by first class mail advising owners to make an appointment with their authorized Toyota dealer to have clips installed on the ends of the parking brake cables to prevent the parking brake from becoming inoperative at **NO CHARGE**

Q3: Are there any warnings prior to the occurrence of this condition?

A3: No. However, if the condition occurs, the travel of the parking brake pedal may increase.

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

A4: There are approximately 92,000 2016 - 2017 model year Prius vehicles covered by this Safety Recall.

Model Name	Model Year	Production Period
Prius	2016 - 2017	Early August 2015 – Early October 2016

Q4a: Are there any other Toyota/Lexus/Scion vehicles covered by this Safety Recall?

A4a: No. There are no other Toyota, Lexus, or Scion vehicles covered by this Safety Recall.

Q5: How does Toyota obtain my mailing information?

A5: 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.

Q6: What if I have additional questions or concerns?

A6: If you have additional questions or concerns, please contact the Toyota Customer Experience Center at 1-888-270-9371 Monday through Friday, 7:00 am to 7:00 pm, Saturday 7:00 am to 4:30 pm Central Time.