

Toyota Motor Engineering & Manufacturing North America, Inc.

Vehicle Safety & Compliance Liaison Office 19001 South Western Avenue Torrance, CA 90501

October 21, 2016

NONCOMPLIANCE INFORMATION REPORT

1. Vehicle Manufacturer Name:

Toyota Motor Manufacturing, Indiana, Inc. ["TMMI"] 4000 Tulip Tree Drive, Princeton, IN 47670-4000

Affiliated U.S. Sales Company

Toyota Motor Sales, USA, Inc. ["TMS"] 19001 South Western Avenue, Torrance, CA 90501

2. <u>Identification of Involved Vehicles and Affected Components:</u>

Based on production records, we have determined the involved vehicle population which is in the table below.

Make/Car Line	Model Year	Manufacturer	Production Period
Toyota/Highlander	2016	TMMI	May 26, 2016 –
<i>y</i>			September 16, 2016

Applicability	Part Number	Part Name	Component Description		
Not Applicable *1					

^{*1:} Not applicable; there are no defective components, only a missed connection.

Note: (1) Although the involved vehicles are within the above production period range, not all vehicles in this range were sold in the U.S.

- (2) Only vehicles subject to the improper assembly performed in a specific process in a specific section of one line in this facility, during the manufacturing process as described further below, are potentially affected.
- (3) Other Toyota and Lexus vehicles utilized the proper assembly procedure and are therefore not affected.

3. <u>Total Number of Vehicles Involved:</u>

Total : 7,056

4. <u>Percentage of Vehicles Estimated to Actually Experience Noncompliance:</u>

Unknown

5. <u>Description of Noncompliance</u>:

The subject vehicles are equipped with a brake fluid level sensor which detects the level of brake fluid present in the brake fluid reservoir and activates an indicator if the fluid drops below a specified level. There is a possibility that the wire harness which attaches to the sensor may not have been connected during the manufacturing process on one line at the particular facility at which the vehicles were assembled. If this were to occur, the vehicle would not be able to sense a drop in the brake fluid level and, therefore, some portions of the requirements of S5.5 of FMVSS 135 may not be met. In the event that the brake fluid level sensor wire harness is not connected and the brake fluid level falls below the specified level without a warning indicator, vehicle braking performance could be affected, increasing the risk of a crash.

6. Test Results and Other Information:

In mid-September 2016, during the quality audit process at the vehicle assembly plant, Toyota found that the wire harness which attaches to the sensor in the brake fluid reservoir was not properly connected in a vehicle. This prompted Toyota to inspect additional vehicles; the condition was present on other Highlander vehicles as well. Further investigation determined that the wire harness connection and inspection processes were erroneously omitted in the standardized work procedure on one line, resulting in the possibility that the brake fluid level sensor wire harness was not properly connected so as to allow the system to operate properly.

As a result of the investigation, it was determined on October 17, 2016 that some vehicles do not meet some portions of the requirements of FMVSS 135 S5.5.

7. <u>Description of Corrective Repair Action</u>:

All known owners of the involved vehicles will be notified by first class mail to return their vehicles to a Toyota dealer to verify that the brake fluid level sensor wire harness is properly connected and, if necessary, connect it to the brake fluid level sensor.

Reimbursement Plan for pre-notification remedies:

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 Toyota's Warranty.

8. <u>Recall Schedule</u>:

Mailing of owner notifications will begin by early November, 2016. A draft of the owner notification letter will be submitted as soon as it is available.

9. Distributor/Dealer Notification Schedule:

Notification to distributors/dealers will be sent on October 21, 2016. Copies of the dealer communications will be submitted as they are issued.

10. <u>Manufacturer's Campaign Number:</u>

G03