

December 13, 2016

DEFECT INFORMATION REPORT

1. Vehicle Manufacturer Name:

Toyota Motor Manufacturing, Kentucky, Inc. ["TMMK"]
1001 Cherry Blossom Way Georgetown, KY, 40324

Affiliated U.S. Sales Company

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

2. Identification of Involved Vehicles and Affected Components:

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

| Make/Car Line | Model Year | Manufacturer | Production Period |
|-------------------------------|--------------|--------------|---|
| Toyota Avalon Toyota Camry | 2016 2017 | TMMK | August 3, 2016 through September 12, 2016 |

VINs of involved vehicles

| Make/Car Line | VIN |
|---------------|---|
| Toyota Avalon | 4T1BK1EB9GU235241, 4T1BK1EB5GU236256, 4T1BK1EBXGU237323, 4T1BK1EB0GU239324 |
| Toyota Camry | 4T1BF1FK7HU300205, 4T1BF1FK7HU300236, 4T1BF1FK6HU308568, 4T1BF1FK5HU316340, 4T1BF1FK8HU316431, 4T1BF1FK8HU320981, 4T1BF1FK4HU322713, 4T1BF1FK8HU323301 |

| Part Number | Part Name | Component Description | Applicability |
|----------------|-----------|-----------------------|---------------|
| Not applicable | | | |

Note: Only the involved vehicles produced at TMMK are potentially equipped with the incorrect fasteners. Other Toyota and Lexus vehicles sold in the U.S. and equipped with the passenger knee air bag assembly are not included in this recall because they were produced at other manufacturing facilities with a different vehicle assembly process.

3. Total Number of Vehicles Potentially Involved:

Camry : 8
Avalon : 4
TOTAL : 12

4. Percentage of Vehicles Estimated to Actually Contain the Defect:

Unknown

5. Description of Problem:

The subject vehicles are equipped with a front passenger knee air bag module that is attached to the lower instrument panel by three clips and three fasteners (bolts). During vehicle assembly, it is possible that incorrect fasteners (tapping screws) were installed. This could damage the knee air bag module mounting hole and result in the fasteners loosening over time. A loosened fastener could affect the performance of the knee air bag, increasing the risk of injury in a crash.

6. Chronology of Principal Events:

September 12, 2016

Toyota received notification from a vehicle processing center indicating a possible incorrect use of a fastener for a passenger knee air bag assembly on a vehicle. The manufacturing facility (TMMK) was notified of the potential concern, and a suspect VIN list was requested and prepared.

Mid-September – Late-November, 2016

After receiving the initial information, TMMK reviewed the production history of the vehicle and found that it had been the subject of a manual installation procedure performed by a team leader due to a primary equipment repair. It was determined that, during the manual process for installation of the knee air bag assembly, there is a possibility that fasteners used for another joint in the same process could have been incorrectly selected and installed. If incorrect fasteners are used, the knee air bag module mounting hole could be damaged.

Further investigation was undertaken in the field to determine if other vehicles could be affected. Twenty (20) additional vehicles were identified to have been subjected to the same manual process by the same team leader who performed the process on the first reported vehicle. This team leader was new to the process.

Out of the twenty vehicles identified, eight (8) vehicles were located and inspected, and one was found to have been assembled with the incorrect fasteners. The remaining twelve (12) vehicles could not be inspected.

December 7, 2016

Based on the above investigation, Toyota decided to conduct a voluntary safety recall campaign on the subject vehicles.

As of December 6, 2016, based on a diligent review of records, Toyota's best engineering judgment is that there is one (1) Toyota Field Technical Report received from U.S. sources that relates to this condition and which was considered in the decision to submit this report. No warranty claims have been received that relate to, or may relate to, this condition.

7. Description of Corrective Repair Action:

All known owners of the subject vehicles will be notified directly via telephone to return their vehicles to a Toyota dealer. The dealers will inspect and confirm that the correct fasteners were used. If not, the dealer will remove the air bag assembly, replace the instrument panel brace and body bracket, and reinstall the air bag with correct fasteners.

Reimbursement Plan for pre-notification remedies

As the owners will be notified well within the active period of the Toyota New Vehicle Limited Warranty, all involved vehicle owners for this recall would have been provided a repair at no cost under Toyota's Warranty.

8. Recall Schedule:

Notifications to owners of Toyota models via telephone will occur in December, 2016. Any owner which cannot be reached by phone will be contacted by first class mail by early February, 2017.

9. Distributor/Dealer Notification Schedule:

Notifications to distributors/dealers will be sent on December 13, 2016. Copies of dealer communications will be submitted as they are issued.

10. Manufacturer's Campaign Number:

G05