

■ IMPORTANT UPDATE

The attached Dealer Letter has been updated. Refer to the details below.

| DATE | TOPIC |
|------------|--|
| 8/9/2017 | The dealer daily message covering the pre-deployment phase of parts distribution has |
| 0/9/2017 | been updated with the most recent dealer daily message covering the MAC process. |
| 7/3/2017 | The parts ordering process has been updated to include the brake fluid information. |
| 6/20/2017 | The parts ordering process has been updated to include the differential fluid information. |
| 06/15/2017 | Updates have been made to the covered vehicles section, parts ordering section, the |
| 06/13/2017 | warranty reimbursement procedure section, and the owner letter timing. |
| 06/05/2017 | The loaner vehicle reimbursement procedure has been updated to reflect the correct max |
| 06/05/2017 | sublet cost per day. |

The most recent update in the attached Dealer Letter will be highlighted with a red box.

Please review this notification with your staff to assure that all relevant personnel have been briefed regarding this subject.

Thank you for your cooperation.

Original Publication Date: April 27, 2017

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

Subject: Safety Recall H0G – *Remedy Notice*

Certain 2016-2017 Model Year Tacoma

Rear Differential Leak

On April 27, 2017, 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 Tacoma vehicles.

Condition

The involved vehicles have rear differentials that may leak oil. If the vehicle is continuously operated in this condition, the rear differential could become damaged, which can result in noise and reduced propulsion. In some cases the rear differential could seize, resulting in a loss of control of the vehicle and increasing the risk of a crash.

Remedy

The remedy will involve an inspection to determine if a leak is present between the rear differential and the rear axle. If the vehicle has no signs of a leak, all fasteners will be re-tightened. If a leak is identified, the rear differential carrier gasket will be replaced with a new one, and new fasteners will be installed. If rear differential components are damaged, the rear differential carrier assembly will be replaced with a new one. This remedy will be at no cost to customers.

NOTE: Toyota expects a majority of vehicles **WILL NOT** exhibit a leak. If parts are not immediately available to repair the customer's vehicle upon failed inspection, please place the customer in a rental vehicle until parts become available

Covered Vehicles

There are approximately 228,000 vehicles covered by this Safety Recall. Approximately 5,700 vehicles involved in this Safety Recall were distributed to Puerto Rico.

| Model Name | Model Year | Production Period |
|------------|-------------|-----------------------------------|
| Tacoma | 2016 - 2017 | Mid-August 2015 – late March 2017 |

NOTE: TRD Pro and TRD Off Road models are not covered.

Owner Letter Mailing Date

Toyota will begin to notify owners in late June 2017. A sample of the owner notification letter has been included for your reference.

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 12,900 vehicles in new dealer inventory as of April 26, 2017.



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.

<u>Toyota Certified Used Vehicle (TCUV)</u>

The TCUV policy prohibits the certification of any vehicle with an outstanding Safety Recall, Special Service Campaign, or Limited Service Campaign. Thus, no affected units are to be designated, sold, or delivered as a TCUV until all applicable Safety Recalls, Special Service Campaigns, and Limited Service Campaigns have 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 repair 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 repair are required to currently hold at least one of the following certification levels:

- Certified Technician (Chassis)
- Expert Technician (Chassis)
- Master Technician
- Master Diagnostic Technician

Always check which technicians can perform the recall remedy by logging on to https://www.uotdealerreports.com. It is the dealership's responsibility to select technicians with the above certification level or greater to perform this 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

Refer to TIS for Technical Instructions on repair. Conduct all non-completed Safety Recalls and Service Campaigns on the vehicle during the time of 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.

Loaner Vehicle Reimbursement Procedure

For customer vehicles that have been identified as having a leak, a loaner vehicle or alternative transportation through Toyota Rent-A-Car (TRAC) can be provided.

| Opcode | Description |
|--------|---------------------------|
| GGG43A | Vehicle Rental 1-30 Days |
| GGG43B | Vehicle Rental 31-60 Days |

NOTE: Rentals greater than \$60.00 per day require DSPM authorization.

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.

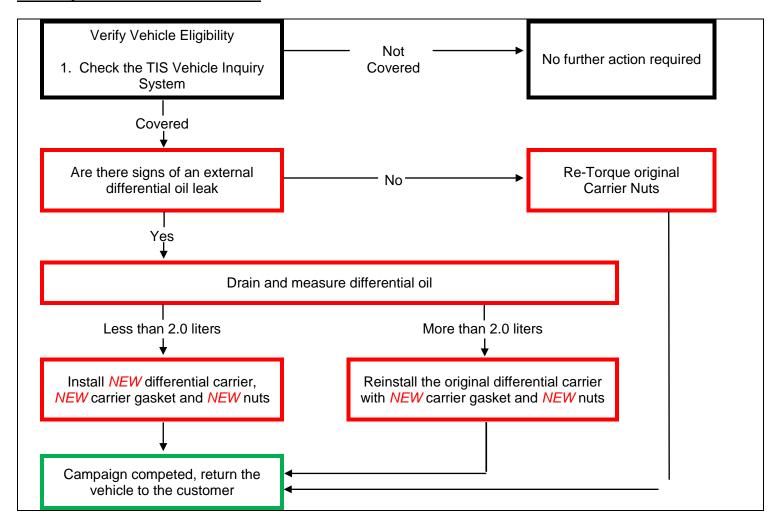
All Safety Recall, Service Campaign (SSC/LSC) parts are eligible for the Monthly Parts Return Program. Please refer to PANT Bulletin 2011-087 for campaign parts that are currently returnable under the Monthly Parts Return Program and for additional details.

| Part Number | Part Description | Quantity | Condition | |
|--------------|---|----------|----------------------|--|
| 90170-08036 | Nut | 10 | | |
| 42181-0K030 | Diff carrier gasket | 1 | *Leaking | |
| 12157-10010 | Drain & Filler plug gasket | 2 | | |
| 42444-35050 | Brake drum gasket | 2 | | |
| 90301-83002 | O-ring (axle bearing case) | 2 | | |
| 90310-58003 | Oil seal (axle shaft) | 2 | | |
| 41110-04130 | Differential carrier assembly | | *Leaking & oil | |
| (3.90 ratio) | | 1 | volume remaining | |
| 41110-04140 | Dinordinal damor addombly | | in differential is | |
| (4.30 ratio) | | | less than 2.0 liters | |
| 08885-02506 | Toyota Genuine Differential gear oil LT SAE 75W-85 APL GL-5 or equivalent | 3 | *Leaking | |
| 00475-1BF03 | Brake Fluid | 1 | *Leaking | |

NOTE:

- To determine the necessary parts based on the condition refer to the Technical Instructions for more detail.
- To enable dealers to begin repairing vehicles that have been identified with leaks, Toyota is currently pre-deploying an initial stock of remedy parts. Depending on dealer location, these parts will begin to arrive at dealers starting on June 15, 2017.
- Parts will be pre-deployed based on dealer claims using op code H0G316. At this time, these parts are only available in limited quantities. Therefore, parts will be pre-deployed, starting from the oldest claim to the newest claim.
- For additional details see the attached dealer daily message.

Warranty Reimbursement Procedure



| Opcode | Description | Flat Rate Hours |
|--------|--|-----------------|
| GGG41A | Inspection, NO LEAK FOUND, re-tighten. | 0.3 |
| GGG41B | Inspection, LEAK FOUND, remaining fluid volume above 2.0 liters, replaced nuts & gasket. | 3.1 |
| GGG41C | Inspection, LEAK FOUND, remaining fluid volume below 2.0 liters, replaced nuts, gasket, and differential carrier assembly. | 3.1 |

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- Dealers may claim the cost for differential oil and brake fluid under op code GGG41B and GGG41C at a maximum rate of \$115.12 per vehicle as sublet type "OF."
- Dealers may claim the cost for oil drain bucket needed under op code GGG41B and GGG41C at a maximum rate of \$0.56 per vehicle as sublet type "ZZ."
- Towing can be claimed under Op. Code GGG41C for a maximum of \$250 as sublet type "TW" in the event the customer requested vehicle pickup.

Claim Filing Accuracy and Correction Requests

It is the dealer's responsibility to file claims correctly for this Safety Recall. This claim filing information is used by Toyota for various government reporting activities; therefore, claim filing accuracy is crucial. If it has been identified that a claim has been filed using an incorrect opcode or a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin PRO17-03 to correct the claim.

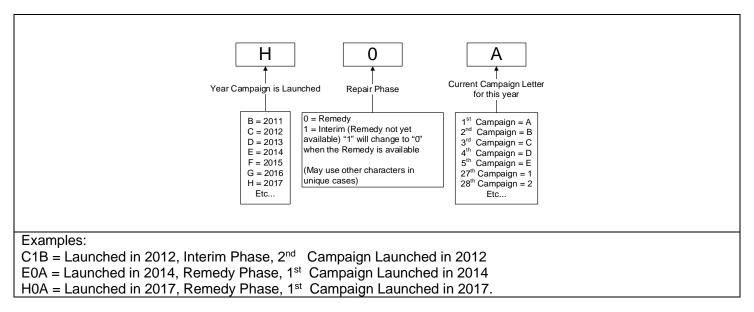
Customer Contacts

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.

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.

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.

Product Quality and Service Support, Quality Compliance Published August 8, 2017 Approved By: Tom Trisdale, General Manager – Field Action & Liason Toyota Motor Sales, USA, Inc. 6565 Headquarters Drive Plano, TX 75024 (469) 292-4000

To: All Toyota Dealers

From: Product Support Division

Safety Recall H0G Certain 2016 – 2017 Model Year Tacoma Rear Differential Leak

- There have been several updates to the MAC criteria. To ensure parts are received in a timely manner, please refer to the most recent copy of the MAC report to ensure orders are placed correctly.
- Parts are being released to order reference numbers in the order that they were submitted through the MAC process. This is to ensure customers receive parts who have been waiting the longest.
- Once it has been determined a vehicle is exhibiting the subject condition, place a part order based on the current MAC criteria.
- For PQSS to process your request, please use the correct format and quantities for each as shown below.

EXAMPLE:

VIN number: 3TMCZ5AN0GM014045

Dealer number: 45057

Order Reference number: MC7815TY

Reason (Leaking / Seepage)

90170-08036 qty 10 42181-0K030 qty 1 12157-10010 qty 2 42444-35050 qty 2 90301-58003 qty 2 90310-58003 qty 2

Fluid Drained (Only required if carrier assembly is requested): XXXX liters

41110-04130 qty 1 ... Differential Part number if required per TI 41110-04140 qty 1... Differential Part number if required per TI

NOTE:

- All 5 part numbers must be on the same order reference number to be released for H0G.
- You may submit more than one VIN on the same Order Reference Number.

Refer to the Dealer Letter and Technical Instructions on TIS for additional information.

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



Safety Recall H0G – Remedy Notice Certain 2016-2017 Model Year Tacoma Rear Differential Leak

■ IMPORTANT UPDATE

| DATE | TOPIC |
|------------|---|
| 06/15/2017 | A2: Owner letter timing updated. |
| 06/06/2017 | Q&A #3 added to explain availability of loaner vehicle. |

Frequently Asked Questions Original Publication Date April 27, 2017

Q1: What is the condition?

A1: The involved vehicles have rear differentials that may leak oil. If the vehicle is continuously operated in this condition, the rear differential could become damaged, which can result in noise and reduced propulsion. In some cases the rear differential could seize, resulting in a loss of control of the vehicle and increasing the risk of a crash.

Q1a: Are there any warnings that this condition exists?

A1a: Yes. If the rear differential is leaking, oil leaks can be observed. Unusual noise and reduced propulsion can also occur.

Q2: What is Toyota going to do?

A2: Starting in late June 2017, Toyota will send an owner notification by first class mail advising owners to make an appointment with their authorized Toyota dealer. Toyota dealers will check the rear differential for any oil leakage. If no leaks are found, all fasteners will be re-tightened. If leakage is found, the rear differential carrier gasket will be replaced with a new one, and new fasteners will be installed. If rear differential components are damaged, the rear differential carrier assembly will be replaced with a new one. This remedy will be at no cost to customers.

Q3: What will Toyota do if parts are not available for my vehicle?

A3: For customer vehicles that have been identified as having a leak, a loaner vehicle or alternative transportation through Toyota Rent-A-Car can be provided at no cost to customers if there are no remedy parts available.

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

A4: There are approximately 228,000 vehicles covered by this Safety Recall. Approximately 5,700 vehicles involved in this Safety Recall were distributed to Puerto Rico.

| Model Name | Model Year | Production Period |
|------------|-------------|-----------------------------------|
| Tacoma | 2016 - 2017 | Mid-August 2015 – late March 2017 |

Q4a: Are there any other Lexus/Toyota/Scion vehicles covered by this Safety Recall in the U.S.?

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

Q5: How long will the repair take?

A5: If the vehicle does not have a leak present the repair will take approximately 45 minutes. If the leak condition is present the repair will take approximately three and a half hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q6: How does Toyota obtain my mailing information?

A6: 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.

Q7: What if I have additional questions or concerns?

A7: 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.

Certain 2016 – 2017 Model Year Tacomas Rear Differential Leak

This notice applies to your vehicle: [VIN]

This notice applies to your vehicle: [VIN]

NHTSA Recall No. 17V-285

URGENT SAFETY RECALL

This is an important Safety Recall. The remedy will be performed at **NO CHARGE** to vou.

Dear Toyota Customer:

This notice is 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 2016 – 2017 Model Year Tacoma Vehicles.

You received this notice because our records, which are based primarily on state registration and title data, indicate that you are the current owner.

What is the condition?

The involved vehicles have rear differentials that may leak oil. If the vehicle is continuously operated in this condition, the rear differential could become damaged, which can result in noise and reduced propulsion. In some cases, the rear differential could seize, resulting in a loss of control of the vehicle and increasing the risk of a crash.

What will Toyota do?

Any authorized Toyota dealer will check the rear differential for any oil leakage. If no leaks are found, all fasteners will be re-tightened. If leakage is found, the rear differential carrier gasket will be replaced with a new one, and new fasteners will be installed. If rear differential components are damaged, the rear differential carrier assembly will be replaced with a new one. This remedy will be at no cost to customers.

What should you do?

This is an important Safety Recall

Please contact any authorized Toyota dealer to schedule an appointment to have the remedy performed as soon as possible.

If you see oil leaking from around the rear axle, or if you experience unusual noise or reduced propulsion, please contact any authorized Toyota dealer immediately. In cases where the vehicle has significant noise or reduced propulsion, your local authorized Toyota dealer will arrange for vehicle pick up.

If the vehicle does not have a leak present, the repair will take approximately 45 minutes. If the leak condition is present, the repair will take approximately three and a half hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

What if you have other questions?

- Your local Toyota dealer will be more than happy to answer any of your questions.
- If you require further assistance, you may 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.

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, 1200 New Jersey Avenue S.E., 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 would like to update your vehicle ownership or contact information, you may do so by registering at www.toyota.com/ownersupdate. You will need your full 17-digit Vehicle Identification Number (VIN) to input the new information.

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.

If you are not the owner of this vehicle, or the driver is no longer at this address, please contact us to update our records. This simple act will help make sure we get in contact with the correct person, complete this repair, and help prevent a possible injury.

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.