

IMPORTANT UPDATE

ENTERPRISE QUALITY AND COMPLIANCE

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

| DATE | TOPIC | |
|-----------|--|--|
| 5/10/2017 | Warranty Claim information was revised | |

The most recent updates 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.

Published May 4, 2017

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

Subject: Safety Recall 17R1

Certain 2016 - 2017 Model Year 4Runner Equipped with Non-Toyota Roof Rack

On May 1, 2017, Gulf States Toyota, Inc. (GST) 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 4Runner vehicles.

Condition

The involved vehicles are equipped with a non-Toyota Roof Rack as part of the TFORCE Accessory Package. GST has determined that during the installation of the Roof Rack to the vehicle, some fasteners may have been tightened improperly. This condition could result in the fasteners becoming loose during vehicle operation. Under some circumstances, there is the potential for the Roof Rack to become detached, increasing the risk of injury.

Remedy

Any authorized Toyota dealer will inspect and torque the roof rack fasteners to the proper value on affected vehicles at **NO CHARGE.**

Covered Vehicles

There are 1,019 vehicles covered by this Safety Recall.

| Model Name | Model Year | GST Processing Period |
|------------|---------------|---------------------------------|
| 4Runner | 2016 and 2017 | March 9, 2016 to March 23, 2017 |

Owner Letter Mailing Date

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

GST 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 61 vehicles in new dealer inventory as of May 1, 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

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

As a reminder, Toyota Certified Used Vehicle (TCUV) policy <u>prohibits</u> the certification of any vehicle with an outstanding Special Service Campaign or 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

GST 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 (any specialty)
- Expert Technician (any specialty)
- 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 GST. 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

The part number is listed in the table below and can be obtained from the GST regional PDC through your normal daily parts order. For dealers outside the GST Region, please call GST Accessory Technical Support at 1-800-444-1074 to obtain remedy parts.

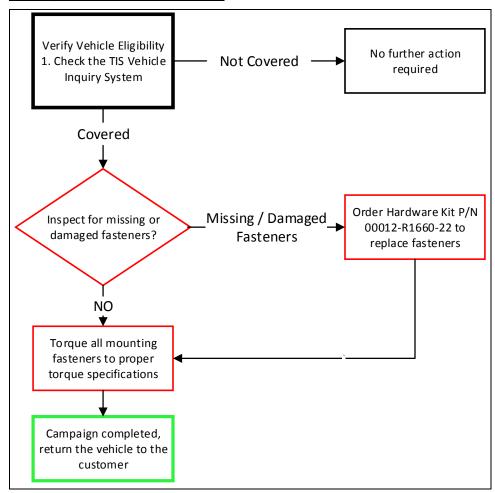
| Part Number | Description | Quantity |
|----------------|--------------|----------|
| 00012-R1660-22 | Hardware Kit | 1 |

Note: A hardware kit may or may not be required depending on the results of the roof rack inspection.

Old/Removed Parts

Dealers DO NOT need to keep/store the old/removed parts. They can be scrapped.

Warranty Reimbursement Procedures



| Opcode | Description | Flat Rate Hours |
|--------|---------------------------------------|-----------------|
| 17R1W1 | Inspection/Torque (No Parts) | 0.5 |
| 17R1W3 | Inspect/Torque (Hardware Replacement) | 0.5 |

The flat rate times include 0.1 hours for administrative cost per unit for the dealership.

A GST Port LIO warranty claim should be submitted, and must include the following required information.

| | Inspect/Torque | Inspect/Install/Torque |
|--------------------|--|---|
| Operation Code | 17R1W1 | 17R1W3 |
| Failed Part Number | NA | NA |
| Safety Recall No. | 17R1 | 17R1 |
| Replacement Part | NA | 00012-R1660-22 |
| Trouble Code | 99 | 99 |
| Condition | Improper tightening of fasteners | Improper tightening of fasteners/missing fasteners |
| Cause | Installation Process | Installation Process |
| Remedy | Inspect and torque all fasteners to proper specifications. | Inspect and if necessary replace hardware. Torque all fasteners to proper specifications. |
| Labor Time | 0.5 | 0.5 |

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 GST Customer Assistance Center at 1-800-444-1074 Monday through Thursday, 8:30 am to 5:00 pm, Friday 8:30 am to 4:00 pm Central Time.

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

Thank you for your cooperation.

GULF STATES TOYOTA , INC.



Safety Recall 17R1 Certain 2016 – 2017 Model Year 4Runner Non-Toyota Roof Rack

Frequently Asked Questions Publication Date May 4, 2017

Q1: What is the condition?

A1: The involved vehicles are equipped with a non-Toyota Roof Rack as part of the TFORCE Accessory Package. GST has determined that during the installation of the Roof Rack to the vehicle, some fasteners may have been tightened improperly. This condition could result in the fasteners becoming loose during vehicle operation. Under some circumstances, there is the potential for the Roof Rack to become detached, increasing the risk of injury.

Q1a: Are there any warning that this condition occurs?

A1a: If the Roof Rack fasteners become loose, it is possible that an abnormal rattling noise may be heard from the roof area of the vehicle.

Q2: What is Gulf States Toyota going to do?

A2: GST will send, starting in June of 2017, an owner notification by first class mail advising owners to make an appointment with their authorized Toyota dealer to have the remedy on the roof rack performed at **NO CHARGE**.

Q3: Which and how many vehicles are covered by this Safety Recall?

A3: There are 1,019 vehicles covered by this Safety Recall.

| Model Name | Model Year | GST Processing Period |
|------------|---------------|---------------------------------|
| 4Runner | 2016 and 2017 | March 9, 2016 to March 23, 2017 |

Q4: How long will the repair take?

A4: The repair takes approximately 30 minutes. However depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q5: How does Toyota obtain my mailing information?

A5: GST 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 GST Customer Assistance Center at 1-800-444-1074 Monday through Thursday, 8:30 am to 5:00 pm, Friday 8:30 am to 4:00 pm Central Time.

Certain 2016-2017 Model Year 4Runner Vehicles Equipped with a Non-Toyota Roof Rack

IMPORTANT SAFETY RECALL

This notice applies to your vehicle: <VIN>
NHTSA Recall No. xxxxxx

MR. SAMPLE A. SAMPLE 12345 SAMPLE STREET ANYPLACE, USA 77551-1212

URGENT SAFETY RECALL

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

Dear Toyota Customer:

This notice is sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Gulf States Toyota, Inc. (GST) has decided that a potential defect, which relates to motor vehicle safety, exists on certain 2016 – 2017 Model Year 4Runner 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 of a 2016-2017 4Runner equipped with the TFORCE Roof Rack.

What is the Condition?

The involved vehicles are equipped with a non-Toyota Roof Rack as part of the TFORCE Accessory Package. GST has determined that during the installation of the Roof Rack to the vehicle, some fasteners may have been tightened improperly. This condition could result in the fasteners becoming loose during vehicle operation. Under some circumstances, there is the potential for the Roof Rack to become detached, increasing the risk of injury.

What will GST do?

Any authorized Toyota dealer will inspect and torque the roof rack fasteners to the proper value on affected vehicles at **NO CHARGE.**

What should you do?

This is an important Safety Recall

If you are in Texas, Louisiana, Oklahoma, Arkansas, or Mississippi, please contact any authorized Toyota Dealer to schedule an appointment to have the remedy performed. If you are outside these five states, please contact the GST Customer Assistance Center toll free at 1-800-444-1074 Monday through Thursday, 8:30 am to 5:00 pm, Friday 8:30 am to 4:00 pm Central Time.

The remedy will take approximately 30 minutes. However, depending upon the dealer's work schedule, it may be necessary to make your 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 GST Customer Assistance Center at 1-800-444-1074
 Monday through Thursday, 8:30 am to 5:00 pm, Friday 8:30 am to 4:00 pm Central Time.

If you believe the dealer or GST has failed or is unable to remedy the defect within a reasonable amount of time or without charge, 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 Hotline at 1-888-327-4236 (TTY: 1-800-424-9153), or go to www.safecar.gov.

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.

We have sent this notice in the interest of your continued satisfaction with our products, and we sincerely regret any inconvenience this safety recall may have caused you.

Thank you for driving a Toyota.

Sincerely, GULF STATES TOYOTA, INC. 17R1