■ IMPORTANT UPDATE

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

DATE	TOPIC
2/24/2022	Warranty op codes corrected

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.

Toyota Motor Sales, USA, Inc.

6565 Headquarters Drive Plano, TX 75024 (469) 292-4000

Original Publication Date: February 24, 2022

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

SAFETY RECALL 22TA02 (Remedy Notice)

Certain 2021 Model Year C-HR Vehicles Pre-Collision System (PCS) Inoperative without Warning Indicator

Model / Years	Production Period	Approximate Total Vehicles	Approximate Stop Sale Dealer Inventory
2021 C-HR	Mid-June 2020 – Late July 2021	36,600	1



STOP! DO NOT SELL NEW VEHICLES IN DEALER INVENTORY.



Refer to Dealer Inventory Procedures section for more details.

On February 24, 2022, 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 2021 model year C-HR vehicles.

Condition

The radar sensor used by the Pre-Collision System (PCS) may not have been initialized properly in the involved vehicles during production. In that case, PCS would be inoperative with no warning indicator to the driver. An inoperative PCS, without a PCS malfunction indicator, may increase the risk of a crash in certain driving situations.

Remedy

For all involved vehicles, Toyota dealers will inspect the radar sensor and if necessary, properly initialize the radar sensor, *FREE OF CHARGE*.

Covered Vehicles

There are approximately 36,600 vehicles covered by this Safety Recall. Approximately 2,200 vehicles involved in this Safety Recall were distributed to Puerto Rico.

Owner Letter Mailing Date

Toyota will begin to notify owners in mid-March 2022.

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.

Dealer Inventory Procedures

New Vehicles in Dealership Inventory

There is 1 vehicle in new dealer inventory as of February 23, 2022.



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. Further, 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.

Toyota reimburses dealers for flooring costs associated with new vehicles held in dealership inventory until the recall remedy becomes available. Toyota provides these flooring reimbursements at 60-day intervals. Toyota reserves the right to withhold or charge-back any flooring reimbursement funds that may have been paid to the dealer if it determines that a new vehicle subject to a safety recall was sold without first being 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.

NOTE:

- New vehicles in dealer inventory subject to a Safety Recall must be remedied before delivery into commerce under a sale or lease. Dealer-to-dealer trades as well as vehicle sales between dealers should not be made until a vehicle is remedied.
- Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily (Non SET and GST dealers: https://dealerdaily.toyota.com/). The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

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

To ensure customer satisfaction, Toyota requests that dealers complete this Safety Recall on any used vehicles currently in dealer inventory that are covered by this Safety Recall prior to customer delivery. However, if the campaign cannot be completed (for example, due to remedy parts availability), delivery of a covered vehicle is acceptable if disclosed to the customer that the vehicle is involved in a Safety Recall.

Toyota expects dealers to use the attached Customer Contact and Vehicle Disclosure Form to obtain vehicle buyer information. Dealers are expected to provide a copy of the completed form, along with the most current FAQ, to the vehicle buyer. Toyota and the dealer may use this information to contact the customer when the remedy becomes available.

Keep the completed form on file at the dealership and send a copy to quality_compliance@toyota.com. In the subject line of the email state "Disclosure Form 22TA02" and include the VIN.

NOTE: Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily (**Non SET and GST dealers:** https://dealerdaily.toyota.com/). The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

Toyota Certified Used Vehicle (TCUV)

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.

Customer Handling, Parts Ordering, and Remedy Procedures

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 Brand Engagement Center (1-888-270-9371) - Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.

Head Unit Notifications

Head unit notifications are electronic messages that are displayed in the vehicle's audio system screen. Customers who receive head unit notification regarding this Safety Recall are requested to schedule an appointment with their authorized dealer to have this Safety Recall completed.

When these messages are received by the vehicle's Data Communication Module, the head unit will display a pop-up prompt stating that the vehicle has a new Safety Recall. The prompt will contain options to 'Snooze' or to 'View' the message. If a customer chooses 'Snooze', the message will continue to reappear every 20 minutes until the customer chooses 'View'. If a customer views and then closes the message, the message will be available in the Notification App if the customer chooses to review it again. If the vehicle's completion status remains incomplete for a period of 90 days from the message being viewed, the head unit may display a renotification pop-up prompt as an additional reminder to the customer to have this Safety Recall completed.

The message will completely clear from the vehicle once the following conditions are met: The Safety Recall is completed, the dealer has filed a claim, and the claim is approved by Toyota. Then the message will be cleared at the next clearing cycle, which currently happens weekly.

Owners who receive a head unit notification after having this Safety Recall completed can be advised to ignore the message. Owners with additional concerns can be directed to the Toyota Brand Engagement Center (1-888-270-9371) - Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.

Salvage Title Vehicles

Every attempt should be made to complete an open Safety Recall when circumstances permit, unless noted otherwise in the Safety Recall dealer letter.

For complete details on this policy, refer to Toyota Warranty Policy <u>4.17</u>, "What Is Not Covered by The Toyota New Vehicle Limited Warranty".

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 Aaron Fowles (469) 292-1097 in Toyota Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media.

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 inspection are required to currently have completed all of the following courses:

• T623 – Toyota Electrical Circuit Diagnosis

Always check which technicians can perform the repair 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.

Campaign Special Service Tools

Ī	Part Number	Part Name	Quantity	Remarks	
	09870-60000*	Laser Radar Adjusting Reflector (Kit) *	1	For TRIANGLE TARGET	
	09870-60100	Flat Target	1	For FLAT SURFACE TARGET	
	09870-60110	Panel Stand	1	FOI FLAT SURFACE TARGET	

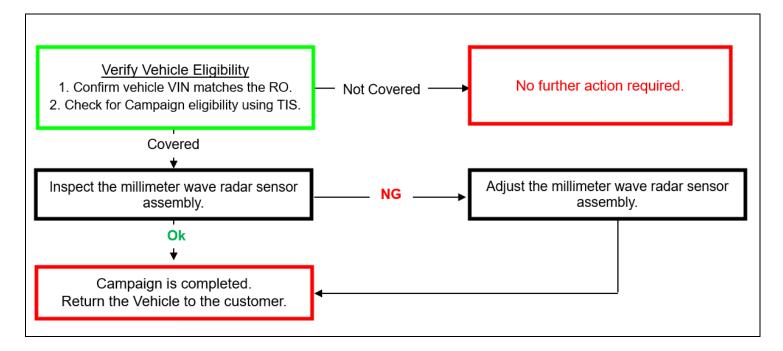
^{*}Essential SST

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.

Warranty Reimbursement Procedures

Warranty Reimbursement Procedure



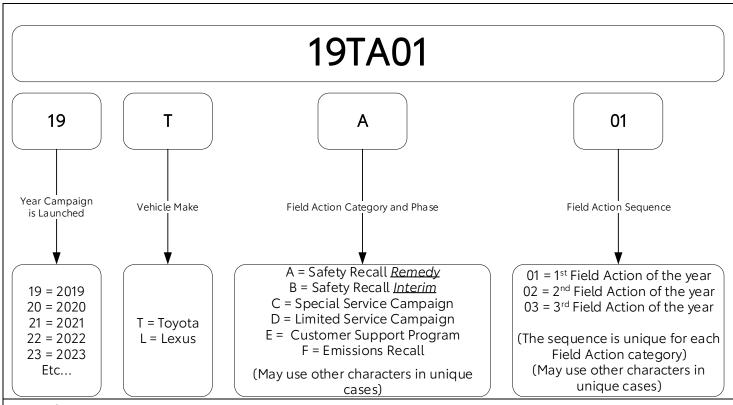
Op Code	Description	Flat Rate Hours
TEC010	TSS System OK	0.4
TEC011	TSS System Not Adjusted; Target Adjustment Performed	0.9

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- Towing can be claimed under Op Code TEC010 or TEC011 for a maximum of \$250 as sublet type "TW" in the event the customer has experienced the condition and requests vehicle pickup.
 - o Towing invoice *MUST* be attached to all towing claims. These claims may be subject to debit if towing invoice is not attached.
- Toyota requires documentation of the "No Good" TSS Check Tool result to be attached to all claims for Op Code TEC011.

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 Op Code or a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin <u>PRO17-03</u> to correct the claim.

Campaign Designation / Phase Decoder



Examples:

19TA01 = Launched in 2019, Toyota, Safety Recall Remedy Phase, 1st Safety Recall Launched in 2019 20TC02 = Launched in 2020, Special Service Campaign, 2nd Special Service Campaign Launched in 2020 21TE05 = Launched in 2021, Customer Support Program, 5th Customer Support Program Launched in 2021

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

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



SAFETY RECALL 22TA02 (Remedy Notice)

Certain 2021 Model Year C-HR Vehicles Pre-Collision System (PCS) Inoperative without Warning Indicator

Frequently Asked Questions

Original Publication Date: February 24, 2022

Q1: What is the condition?

A1: The radar sensor used by the Pre-Collision System (PCS) may not have been initialized properly in the involved vehicles during production. In that case, PCS would be inoperative with no warning indicator to the driver. An inoperative PCS, without a PCS malfunction indicator, may increase the risk of a crash in certain driving situations.

Q2: What is Toyota going to do?

A2: In mid-March 2022, Toyota will begin to notify owners to request they make an appointment with their authorized Toyota dealer. Dealers will inspect the radar sensor and if necessary, properly initialize the radar sensor, free of charge.

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

A3: There are approximately 36,600 vehicles covered by this Safety Recall.

Model Name	Model Year	Production Period
C-HR	2021	Mid-June 2020 – Late July 2021

Q4: How long will the repair take?

A4: The repair takes approximately 45 to 60 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: 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 Brand Engagement Center at 1-888-270-9371 Monday through Friday, 8:00 am to 8:00 pm, Saturday 9:00 am to 7:00 pm Eastern Time.

Q7: Are there any warnings that this condition exists?

A7: Yes. If the radar sensor has not been properly initialized, you may notice the following.

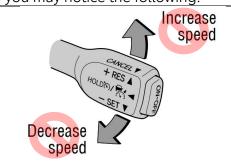
1. When Dynamic Radar Cruise Control (DRCC) speed is set, you cannot increase or decrease your speed using the cruise control switch.

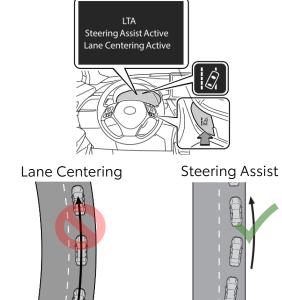
NOTE: The DRCC function can be canceled at any time by pressing the on/off button on the cruise control switch or by pressing the brake pedal.

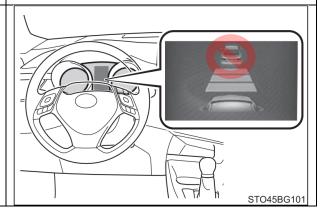
2. The lane centering function of the Lane Tracing Assist (LTA) system will not operate the steering wheel to maintain the vehicle's lane position even if the display says the lane centering is active and DRCC speed is set.

NOTE: The Steering Assist function should still provide steering input and a warning message/chime if the system detects that the vehicle might depart from its lane or course as long as all operating conditions are met. Refer to Owner's Manual for steering assist system operating conditions and limitations.

3. Vehicles ahead are not detected and the vehicle icon in the Multi-Information Display (MID) will not be shown while using DRCC. Furthermore, the vehicle will not slow down automatically, as designed, when approaching a vehicle with DRCC active.









Toyota Motor Sales, USA, Inc. 6565 Headquarters Drive Plano, TX 75024 (469) 292-4000

CUSTOMER CONTACT & VEHICLE DISCLOSURE FORM

This form is not applicable for new vehicles in dealership inventory and TCUV units.

been performed. I underst		to be returned to an aut	able and the remedy has NOT horized Toyota dealer to have
Customer Signature			
and regularly check recall	_	ota.com/recall or www.s	o://www.toyota.com/owners/ afercar.gov. You will need to
Model	Model Year		
Customer Information			
Customer Name		Customer Email	
Customer Address		Home Phone #	
		Mobile Phone #	
		Date	
available. This informati	rmation so that Toyota or you ion will only be used for cam _l nation in the future, visit <u>www</u>	paign communications. I	f you'd like to update your
Dealer Information			
Dealer Name/Address		Dealer Code	
		Dealer Phone Number	
		Dealer Staff Name	_
		Dealer Staff Signature	