February 16, 2023

Mr. David Kim
Tesla, Inc.
45500 Fremont Blvd
Fremont, CA 94538

Subject: Full Self-Driving Software May Cause Crash

Dear Mr. Kim:

This letter serves to acknowledge Tesla, Inc.'s notification to the National Highway Traffic Safety Administration (NHTSA) of a safety recall which will be conducted pursuant to Federal law for the product(s) listed below. Please review the following information to ensure that it conforms to your records as this information is being made available to the public. If the information does not agree with your records, please contact us immediately to discuss your concerns.

Makes/Models/Model Years:
TESLA/MODEL 3/2017-2023
TESLA/MODEL S/2016-2023
TESLA/MODEL X/2016-2023
TESLA/MODEL Y/2020-2023

Mfr's Report Date: February 15, 2023

NHTSA Campaign Number: 23V-085

Components:
ELECTRICAL SYSTEM: ADAS: AUTONOMOUS/SELF DRIVING: SOFTWARE
STEERING: AUTOMATED/ADAPTIVE STEERING

Potential Number of Units Affected: 362,758

Problem Description:
Tesla, Inc. (Tesla) is recalling certain 2016-2023 Model S, Model X, 2017-2023 Model 3, and 2020-2023 Model Y vehicles equipped with Full Self-Driving Beta (FSD Beta) software or pending installation. The FSD Beta system may allow the vehicle to act unsafe around intersections, such as traveling straight through an intersection while in a turn-only lane, entering a stop sign-controlled intersection without coming to a complete stop, or proceeding into an intersection during a steady yellow traffic signal without due caution. In addition, the system may respond insufficiently to changes in posted speed limits or not adequately account for the driver's adjustment of the vehicle's speed to exceed posted speed limits.

Consequence:
FSD Beta software that allows a vehicle to exceed speed limits or travel through intersections in an unlawful or unpredictable manner increases the risk of a crash.

Remedy:
Tesla will release an over-the-air (OTA) software update, free of charge. Owner notification letters are expected to be mailed by April 15, 2023. Owners may contact Tesla customer service at 1-877-798-3752. Tesla's number for this recall is SB-23-00-001.
Notes:
Owners may also contact the National Highway Traffic Safety Administration Vehicle Safety Hotline at 1-888-327-4236 (TTY 1-800-424-9153), or go to www.nhtsa.gov.

Please ensure the following requirements are met:

| Description of the manufacturer's program for remedying the defect (49 CFR 573.6 (c)(8)(i)). |
| AMENDED 573 REQUIRED. |

Please be reminded of the following requirements:

You are required to submit a draft owner notification letter to this office no less than five days prior to mailing it to the customers. Also, copies of all notices, bulletins, dealer notifications, and other communications that relate to this recall, including a copy of the final owner notification letter and any subsequent owner follow-up notification letter(s), are required to be submitted to this office no later than 5 days after they are originally sent (if they are sent to more than one manufacturer, distributor, dealer, or purchaser/owner).

Please be reminded that under 49 U.S.C. § 30112(a)(3), it is illegal for a manufacturer, to sell, offer for sale, import, or introduce or deliver into interstate commerce, a motor vehicle or item of motor vehicle equipment that contains a safety defect once the manufacturer has notified NHTSA about that safety defect. This prohibition does not apply once the motor vehicle or motor vehicle equipment has been remedied according to the manufacturer's instructions.

As stated in Part 573.7, submission of the first of eight consecutive quarterly status reports is required within one month after the close of the calendar quarter in which notification to purchasers occurs. Therefore, the first quarterly report will be due on, or before, 30 days after the close of the calendar quarter.

Tesla, Inc.’s contact for this recall will be Sarah Shiver who may be reached by email at sarah.shiver@dot.gov. We look forward to working with you.

Sincerely,

Alex Ansley
Chief, Recall Management Division
Office of Defects Investigation
Enforcement