

■ IMPORTANT UPDATE ▶

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

DATE	TOPIC
November 8, 2023	• Updated Parts Ordering Section – Removed Note regarding Tacoma spiral cables
November 2, 2023	Updated Parts Ordering Section – Added Note regarding Tacoma spiral cables

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.

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

Original Publication Date: October 26, 2023

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

SAFETY (NONCOMPLIANCE) RECALL 23TA08 (Remedy Notice)

Certain 2023 Model Year Corolla, Corolla Cross, Corolla Cross HV, Highlander, Highlander HV and
Tacoma
Driver Airbag May Not Deploy

Model / Years	Production Period	Approximate Total Vehicles	Approximate Stop Sale Dealer Inventory
2023 Corolla	Late February 2023 – Late July 2023	48,300	30
2023 Corolla Cross	Late February 2023 – Late June 2023	18,000	100
2023 Corolla Cross HV	Late February 2023 – Late June 2023	900	5
2023 Highlander	Mid-March 2023 – Late May 2023	22,100	160
2023 Highlander HV	Mid-March 2023 – Mid-May 2023	4,700	30
2023 Tacoma	Late March 2023 – Early August 2023	54,500	1,300



STOP! DO NOT SELL NEW VEHICLES IN DEALER INVENTORY.



Refer to Dealer Inventory Procedures section for more details.

On October 10, 2023, Toyota amended a previously filed Noncompliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA). The amended Noncompliance Information Report (NCIR) added approximately 42,900 vehicles to this recall.

On July 12, 2023, Toyota filed a Noncompliance Information Report (NCIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety (Noncompliance) Recall on 2023 model year Corolla, Corolla Cross, Corolla Cross HV, Highlander, Highlander HV and Tacoma vehicles.

Condition

In the affected vehicles, the spiral cable assembly in the steering column may lose its electrical connection on the circuit controlling the driver's airbag. If this occurs, the airbag warning light will illuminate, and the driver's airbag may not deploy in a crash. As a result, the vehicle will not comply with certain federal motor vehicle safety requirements and may increase the risk of injury to the driver in the event of a crash.

Remedy

Toyota dealers will inspect the serial number of the spiral cable and, if necessary, based on the inspection, replace it with a new cable *FREE OF CHARGE*.

Covered Vehicles

There are approximately 149,500 vehicles covered by this Safety (Noncompliance) Recall. Approximately 2,000 vehicles involved in this Safety (Noncompliance) Recall were distributed to Puerto Rico.

Owner Letter Mailing Date

Toyota will notify owners by Mid-November 2023.

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 (Noncompliance) 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 are approximately 1,625 vehicles in new dealer inventory as of October 5, 2023.

ТОР

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.

<u>Inspection Reminder Mirror Hang Tags for Covered Vehicles in New Dealer Stock</u>

To easily recognize vehicles involved in this Safety (Noncompliance) 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 typically requests that dealers *NOT* deliver any pre-owned vehicles in dealer inventory that are covered by a Safety (Noncompliance) Recall unless the defect has been remedied. In this case, until remedy parts are available, delivery of a pre-owned vehicle is acceptable if disclosed to the customer that the vehicle is involved in this Safety (Noncompliance) Recall and that the remedy is currently being prepared by Toyota.

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 23TA08/23TB08" 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 (Noncompliance) 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 (Noncompliance) 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 (Noncompliance) 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 (Noncompliance) Recall completed.

The message will completely clear from the vehicle once the following conditions are met: The Safety (Noncompliance) 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 daily.

Owners who receive a head unit notification after having this Safety (Noncompliance) 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 Joshua Burns (469) 292-6449 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 repair are required to currently completed all of the following courses:

• TIC206A - Electrical Repair 1

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 that have completed the above courses 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.

Parts Ordering Process

Parts are ordered based on inspection result. Dealers will use an inspection website to complete the inspection. If the inspection website determines the spiral cable needs to be replaced, <u>orders will be automatically placed for the dealer</u> through the website process. Orders will be placed for dealers the morning after the inspection is completed through the website. Dealers will experience normal lead time for parts orders from your facing PDC. The orders can be identified by VIN number on the Pick-shipping label when parts arrive at the dealer.

If you have completed the inspection in the website and the Spiral Cable was found to be within the affected range, but you have not received your parts within 2 days, please contact PRAProject@toyota.com for assistance.

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.

See Example Below of Pick-shipping labels:





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Model	Part Number	Description	Quantity
Corolla, Corolla Cross, Corolla Cross HV, Highlander, Highlander HV	04003-2610A	Spiral Cable Set w/ Sensor Lock Pin	1
Tacoma	04003-2640E	Spiral Cable Set w/ Sensor Lock Pin	1

Note: Parts are only required if the inspection finds the Spiral Cable serial number within the affected range.

Tacoma spiral cables (Part Number: 04003-2640E) are now available.

Warranty Reimbursement Procedures

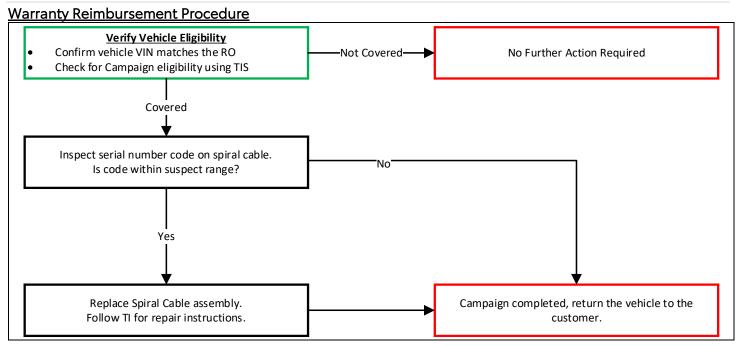
Loaner Vehicle or Alternative Transportation Reimbursement Procedure

• If an owner was uncomfortable driving their vehicle while the remedy was prepared during the interim period, a loaner vehicle or alternative transportation can be provided through Toyota Rent-A-CAR (TRAC).

Model	Op Code	Description	Max Amount Per Day
Corolla, Corolla Cross, Corolla Cross HV	23TA08V1	Vehicle Rental 1-30 Days	\$42
Corolla, Corolla Cross, Corolla Cross HV	23TA08V2	Vehicle Rental 31-60 Days	\$42
Highlander, Highlander HV, Tacoma	23TA08V3	Vehicle Rental 1-30 Days	\$60
Highlander, Highlander HV, Tacoma	23TA08V4	Vehicle Rental 31-60 Days	\$60
Corolla, Corolla Cross, Corolla Cross HV	TBD	Vehicle Rental 61-90 Days	\$42
Corolla, Corolla Cross, Corolla Cross HV	TBD	Vehicle Rental 91-120 Days	\$42
Highlander, Highlander HV, Tacoma	TBD	Vehicle Rental 61-90 Days	\$60
Highlander, Highlander HV, Tacoma	TBD	Vehicle Rental 91-120 Days	\$60

NOTE:

- Rental invoice *MUST* be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.
- Rentals that exceed the maximum allowable daily rate will require DSPM authorization per the Toyota Transportation Assistance Policy (TTAP).
- Dealers will be allowed to file these Op Codes up to 90 days after the final phase has launched into remedy. After that time, no claims for alternative transportation reimbursement will be accepted.



Op Code	Description	Flat Rate Hours
23TA08R1	Inspect Spiral Cable	0.4
23TA08R2	Inspect and Replace Spiral Cable	1.2

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- If the inspection result requires Spiral Cable Replacement, a loaner vehicle or alternative transportation through the Toyota Rent-A-Car (TRAC) program can be claimed for a maximum of 3 days as a sublet type "RT" for OP Code 23TA08R2 at the rates shown below.
 - o For rentals that exceed the maximum number of allowable days and/or dollars per day, refer to the Toyota Transportation Assistance Policy (TTAP) for DSPM authorization requirements.
 - o Rental invoice MUST be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.

Model	Max Rental Amount Per Day
Corolla, Corolla Cross, Corolla Cross HV	\$42
Highlander, Highlander HV, Tacoma	\$60

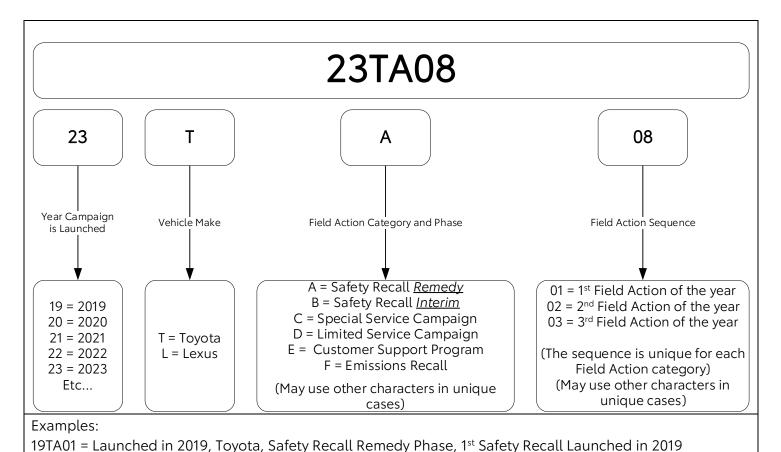
Claim Filing Accuracy and Correction Requests

It is the dealer's responsibility to file claims correctly for this Safety (Noncompliance) Recall. This claim filing information is used by Lexus 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.

<u>Customer Reimbursement</u>

Reimbursement consideration instructions will be included in the owner letter.

Campaign Designation / Phase Decoder



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

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

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



SAFETY (NONCOMPLIANCE) RECALL 23TA08 (Remedy Notice)

Certain 2023 Model Year Corolla, Corolla Cross, Corolla Cross HV, Highlander, Highlander HV and Tacoma Driver Airbag May Not Deploy

NHTSA Recall No. 23V-480

Frequently Asked Questions

Original Publication Date: October 26, 2023

Q1: What is the condition?

A1: In the affected vehicles, the spiral cable assembly in the steering column may lose its electrical connection on the circuit controlling the driver's airbag. If this occurs, the airbag warning light will illuminate, and the driver's airbag may not deploy in a crash. As a result, the vehicle will not comply with certain federal motor vehicle safety requirements and may increase the risk of injury to the driver in the event of a crash.

Q2: Are there any symptoms/warnings if the condition occurs?

A2: If the condition is present, the airbag warning light will illuminate and electrical controls on the steering wheel may not operate. An example of the airbag warning light is shown below.



Note: The airbag warning light may vary from the image above; refer to the owner's manual to confirm the applicable airbag warning light image. The airbag warning light may illuminate for other reasons than the condition described above.

Q3: What is Toyota going to do?

A3: Toyota dealers will inspect the serial number of the spiral cable and, if necessary, replace it with a new cable *FREE OF CHARGE*.

Q4: How long will the repair take?

A4: For most vehicles, an initial inspection will take approximately 30 minutes. If spiral cable replacement is necessary based on the inspection, this could take an additional hour. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q5: Which and how many vehicles are covered by this Safety (Noncompliance) Recall?

A5: There are approximately 149,500 vehicles covered by this Safety (Noncompliance) Recall.

Model / Years	Production Period	Approximate Total Vehicles
2023 Corolla	Late February 2023 – Late July 2023	48,300
2023 Corolla Cross	Late February 2023 – Late June 2023	18,000
2023 Corolla Cross HV	Late February 2023 – Late June 2023	900
2023 Highlander	Mid-March 2023 – Late-May 2023	22,100
2023 Highlander HV	Mid-March 2023 – Mid-May 2023	4,700
2023 Tacoma	Late March 2023 – Early August 2023	54,500

Q5a: Are there any other Lexus/Toyota/Scion vehicles covered by this Safety (Noncompliance)
Recall in the U.S.?

A5a: Yes, there are certain 2023–2024 Lexus NX, and 2023 Lexus RX vehicles covered by this Safety (Noncompliance) Recall.

Q6: What if I previously paid for repairs related to this Safety (Noncompliance) Recall?

A6: Reimbursement consideration instructions will be provided in the owner letter.

Q7: How does Toyota obtain my mailing information?

A7: 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.

Q8: What if I have additional questions or concerns?

A8: 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.



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.

This vehicle is involved in a Safety I understand that the vehicle wi CHARGE when the remedy is ava	Il need to be returned to an aut		•
Customer Signature			
Toyota recommends that you recheck recall applicability using Identification Number (VIN).			
VIN		Campaign Code	
Model	Model Year		
Customer Information			
Customer Name		Customer Email	
Customer Address		Home Phone #	
		Mobile Phone #	
information will only be used	on so that Toyota or your dealer for campaign communications. w.toyota.com/owners. or contac	can notify you when the remed If you'd like to update your prefe	y becomes available. This
Dealer Information			
Dealer Name/Address		Dealer Code	
		Dealer Phone Number	
		5 1 6: ((1)	
		Dealer Staff Signature	

IMPORTANT SAFETY RECALL

Certain 2023 Model Year Corolla, Corolla Cross, Corolla Cross HV, Highlander, Highlander HV and Tacoma Vehicles Driver Airbag May Not Deploy NHTSA Recall No. 23V-480 Toyota Recall No. 23TA08 (Remedy Notice)

URGENT SAFETY RECALL

This is an important Safety Recall. The remedy will be performed <u>FREE</u> OF CHARGE to you.

Dear (customer's First/Last name)

This notice applies to your vehicle: [VIN]

This notice is sent to you in accordance with the National Traffic and Motor Vehicle Safety Act. Toyota has decided that certain in 2023 model year Corolla, Corolla Cross, Corolla Cross HV, Highlander, Highlander HV and Tacoma vehicles fail to conform to Federal Motor Vehicle Safety Standard (FMVSS) No. 208, Occupant Crash Protection.

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?

In the affected vehicles, the spiral cable assembly in the steering column may lose its electrical connection on the circuit controlling the driver's airbag. If this occurs, the airbag warning light will illuminate, and the driver's airbag may not deploy in a crash. As a result, the vehicle will not comply with certain federal motor vehicle safety requirements and may increase the risk of injury to the driver in the event of a crash.

What should you do?

Please contact any authorized Toyota dealer to schedule an appointment to have the remedy performed as soon as possible. Your local Toyota dealer will be more than happy to answer any of your questions.

- ✓ To find a dealer near you, visit www.toyota.com/dealers.
- ✓ For more information on this and other Safety Recalls, including Frequently Asked Questions, visit www.toyota.com/recall. Input your full 17-digit Vehicle Identification Number (VIN) noted above to review information specific to your vehicle.
- ✓ If you require further assistance, you may 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.

What will Toyota do?

Any authorized Toyota dealer will inspect the serial number of the spiral cable, and if necessary, replace it with a new cable *FREE OF CHARGE* to you.

This is an important Safety Recall

For most vehicles, an initial inspection will take approximately 30 minutes. If spiral cable replacement is necessary based on the inspection, this could take an additional hour. However, depending on the dealer's work schedule, it may be necessary to make your vehicle available for a longer period of time.

Are there any symptoms/warnings if the condition occurs?

If the condition is present, the airbag warning light will illuminate and electrical controls on the steering wheel may not operate. Example of airbag warning light shown below.

Note: The airbag warning light may vary from the image above; refer to the owner's manual in your vehicle to confirm the airbag warning light image that is applicable to your vehicle. The airbag warning light may illuminate for other reasons than the condition described above. If the light is illuminated, please visit your local Toyota dealer promptly for diagnosis.

What if you have previously paid for repairs to your vehicle for this specific condition?

If you have previously paid for repair(s) to your vehicle for this specific condition prior to receiving this letter, you may be eligible for reimbursement. For reimbursement consideration, please submit a copy of your repair details (for example: a repair order), proof-of-payment, and ownership information to Toyota's online, self-service portal. Log-in to your Toyota Owners account at https://www.toyota.com/owners/, click on the "Resources" tab, select "Safety Recalls and Service Campaigns", and click on "Submit Reimbursement Request".

Alternatively, if you prefer to mail or fax this information for reimbursement consideration, please use the address or fax number shown below:

Toyota Brand Engagement Center - TSR
Toyota Motor Sales, USA, Inc.
c/o Toyota Motor North America, Inc.
P O Box 259001 - SSC/CSP Reimbursements
Plano, Texas 75025-9001

FAX: 310-381-7756

Please refer to the attached Reimbursement Checklist for required documentation details.

What if you are not the owner or operator of this vehicle?

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 know the current owner or operator, please forward this letter to them.

If you would like to update your vehicle ownership or contact information, please visit https://www.toyota.com/owners

If you believe that the dealer or Toyota has failed or is unable to remedy the defect within a reasonable 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 Hot Line at 1-888-327-4236 (TTY: 1-800-424-9153), or go to https://www.safercar.gov.

We have sent this notice in the interest of your continued satisfaction with our products. We sincerely regret any inconvenience this condition may have caused you.

Thank you for driving a Toyota.

Sincerely,

Toyota Motor Sales, USA