Lonnie Peterson / TMS Toyota Customer Services Product Quality and Service Support, Quality Compliance November 14, 2012 Approved By: Bob Waltz

To: All Toyota Dealers From: Product Support Division

Preliminary Notification

Safety Recall on 2004 to certain 2009 Model Year Prius Vehicles

C0T (pre-remedy: C1T (phase 1) and C2T (phase 2)) - Steering Intermediate Extension Shaft C0U (pre-remedy: C1U) - Hybrid Electric Water Pump

*******URGENT******

On November 14, 2012, Toyota will file <u>two</u> separate Defect Information Reports (DIR's) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct two voluntary Safety Recalls on 2004 to Certain 2009 Model Year Prius vehicles.

This preliminary information is being provided to keep you informed of the filing. Toyota is currently working on preparing the remedies and additional information will be provided at a later date.

COT - Steering Intermediate Extension Shaft (All 2004 to certain 2009 model year Prius)

- The steering shaft system of the subject vehicles consists of a steering intermediate shaft assembly, steering sliding yoke sub assembly, and steering intermediate extension shaft assembly. Due to insufficient hardness of the extension shaft supplied by a specific supplier, the splines which connect the extension shaft to the steering gear box may deform if the steering wheel is frequently and forcefully turned to the full-lock position while driving at a slow speed. This may create an increased backlash, and splines may eventually wear out over time, which could result in loss of steering ability.
- C0T will be launched in two phases.
- There are approximately 670,000 vehicles covered by this Safety Recall in the U.S.

C0U - Hybrid Electric Water Pump (Only certain vehicles are covered. Always verify TIS)

- There is a possibility that the coil wire of the electric motor installed in the Water Pump for the Hybrid System may have been scratched during the coiling manufacturing process at the supplier. In this condition, the coil wire may corrode at the scratched portion and in some cases break. If this occurs, the water pump could stop, leading to the illumination of various warning lights in the instrument panel. In limited instances, a short circuit can occur between adjacent coil wires, resulting in an open fuse for the electric power supply circuit. If the fuse is open, the hybrid system will stop while the vehicle is being driven, which may increase the risk of an accident.
- Toyota is currently preparing parts for C0U. It is anticipated that parts preparation will be sufficient starting in January, 2013. Until the remedy is launched vehicles will be designated "C1U".
- There are approximately 350,000 vehicles covered by this Safety Recall in the U.S.

Status

- Preliminary Notification documents will be posted on TIS starting the morning of Wednesday, November 14, 2012. For reference purposes only, VINs covered by this Safety Recall will be searchable on TIS starting Wednesday morning, November 14, 2012 (Pacific Time).
- C0T will entail inspecting the steering intermediate extension shaft. Based upon the inspection results the steering intermediate extension shaft will be replaced. Toyota anticipates approximately 50% of the steering intermediate extension shafts will require replacement.
- C0T Phase 2 will be launched concurrently with C0U Remedy. When available the C0U remedy will involve replacing the vehicles Hybrid Electric Water Pump.

Safety Recall Remedy Launch Timing:

December 2012	January 2013
C0T Phase 1	C0T Phase 2 <u>and</u> C0U
(C0T only vehicles)	(vehicles covered by both C0T and C0U)
Approx. 320,000 vehicles	Approx. 350,000 vehicles

Please note that approximately half of the vehicles in C0T will also be covered by C0U. Therefore, Toyota will launch C0T in two phases:

- C0T <u>Phase 1</u> will be launched in Dec. 2012. This phase will cover <u>vehicles covered by C0T only</u>. C0U does not apply to Phase 1 vehicles.
- C0T Phase 2 will be launched in Jan. 2013. C0T Phase 2 will include vehicles covered by both C0T and C0U.

Covered Vehicles

Phase	Prelim/Interi m Designation	Anticipated Remedy Date	Model	Model Year	Component	Production Period	Appx. UIO
1	C1T *	December, 2012	Prius	2004- 2009	Steering Intermediate Extension Shaft	Early August, 2003 through Late March, 2009	320,000
2	C2T**	January, 2013					350,000

^{*}C1T will change to C0T in Phase 1 when the remedy is launched.

^{**}C2T will change to C0T in Phase 2 when the remedy is launched.

Prelim/Interi m Designation	Anticipated Remedy Date	Model	Model Year	Component	Production Period	Appx. UIO
C1U	January, 2013	Prius	2004- 2009	Hybrid Electric Water Pump	Early August, 2003 through Late March, 2009	350,000

^{*}C1U will change to C0U when the remedy is launched.

Pre-Owned Vehicles in Dealer Inventory

Toyota generally requests that dealers do not deliver any pre-owned vehicles in dealer inventory that are covered by a Safety Recall until the vehicle has been remedied. However, in this case, until the remedy is available dealers can deliver pre-owned vehicles if they disclose to the customer that the vehicle is subject to a Safety Recall and Toyota will send them a notification when the remedy is available.

Customer Handling

A Q&A is attached to help dealerships respond to any customer concerns. If the customer has any further questions, they are requested to contact the Toyota Customer Experience Center. The Toyota Customer Experience Center can be reached at 1-888-270-9371 Monday through Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am through 4:00 pm Pacific Time.

Handling of Vehicles Exhibiting this Condition

If a customer contacts a dealership and has experienced the condition described, dealerships are requested to assist them by setting up an appointment to diagnose the condition.

If the condition is verified, please assist the customer by repairing the vehicle at **no charge**. The necessary parts can be ordered through your facing PDC. At this time Toyota has a very limited number of parts available to support vehicle repairs. Only order parts for vehicles currently experiencing the condition described.

The Hybrid Electric Water Pump has been placed on dealer ordering solutions; please see the weekly manual allocation report for maximum allowed order quantities.

The steering intermediate extension shaft has been placed on Manual Allocation Control (MAC). If you require this part, please send an email to Quality Compliance@Toyota.com with the following information:

- Subject Line: C1T MAC Release Request (Dealer Code)
- Dealer Code
- VIN Number
- Part Number and Qty Ordered
- Order Reference Number
- Order Date
- Contact Person

Once a representative confirms the information provided, the part will be released. If there is a concern regarding the information provided, a representative will contact your dealership. Please allow 2-3 days for part release after providing the requested information.

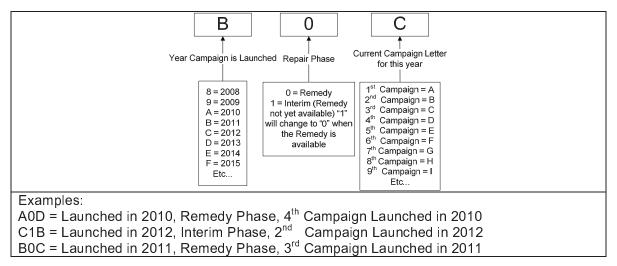
Important Notes:

- Once you have placed your order DO NOT upgrade or change your order status.
- Dealerships must provide the above listed information within 48 hours of order placement, failure to provide the information above will result in an order cancellation.

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 Brian Lyons (310) 468-2552 in Toyota Corporate Communications. (Please do not provide this number to customers. Please provide this contact to only media associates.)

Campaign Designation Decoder



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

Thank you for your cooperation.



Safety Recall C0T Certain 2004 through 2009 Model Year Prius Vehicles Steering Intermediate Extension Shaft

Q1: What is the condition?

A1: The steering shaft system of the subject vehicles consists of a steering intermediate shaft assembly, steering sliding yoke sub assembly, and steering intermediate extension shaft assembly. Due to insufficient hardness of the extension shaft supplied by a specific supplier, the splines which connect the extension shaft to the steering gear box may deform if the steering wheel is frequently and forcefully turned to the full-lock position while driving at a slow speed. This may create an increased backlash, and splines may eventually wear out over time, which could result in loss of steering ability.

Q2: What is the Steering Intermediate Extension Shaft?

A2: The Steering Intermediate Extension Shaft is a mechanical link between the steering wheel and steering gear box.

Q3: Are there any warnings that this condition exists?

A3: No. There are no warnings that this condition exists.

Q4: What is Toyota going to do?

A4: Owners of the covered vehicles will receive a Safety Recall Notification by first class mail starting in December, 2012. Any authorized Toyota dealer will inspect the extension shaft. Based upon the inspection results, the extension shaft may be replaced. The inspection and, if necessary, replacement will be performed at **NO CHARGE** to the vehicle owner.

Q4a: Will all of the Steering Intermediate Extension Shafts require replacement?

A4a: No. Only the extension shafts from one supplier will require replacement. Therefore, approximately one half of the vehicles will require the extension shaft to be replaced.

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

A5: There are approximately 670,000 Prius (2004 through certain 2009 Model Year) vehicles covered by this Safety Recall.

Model	Model Year	Production Period	Number of Vehicles
Toyota Prius	2004 through certain 2009	Early August, 2003 through Late March, 2009	Approximately 670,000

Q5a: Are there any other Toyota or Lexus models covered by this Safety Recall?

A5a: No, this condition only affects some 2004 through certain 2009 model year Prius vehicles.

Q5b: Why are other vehicles not covered by this Safety Recall?

A5b: Other vehicles have an extension shaft of sufficient hardness.

Q6: How long will the repair take?

A6: The repair will take approximately 1 hour. However, it may be necessary to make the vehicle available for a longer period of time depending upon the dealer's work schedule.

Q7: What is the difference between this Safety Recall and Safety Recall 60C which was previously announced?

A7: The previous Safety Recall 60C addressed concerns with weld quality of the intermediate shaft as well as an inspection to verify correct installation of the extension shaft during the manufacturing process.

The new Safety Recall C0T is due to insufficient hardness of the extension shaft supplied by a specific supplier.

Q7a: If the vehicle had Safety Recall (60C) previously performed, will the customer need to have Safety Recall COT performed as well?

A7a: Yes. The dealer will still need to perform the inspection to determine if the extension shaft requires replacement under Safety Recall C0T. We apologize for any inconvenience, but once the remedy is available, the owner should contact his/her authorized Toyota dealer to have the extension shaft inspected and if necessary replaced at **NO CHARGE**.

Q8: What if an owner has previously paid for repairs for this condition?

A8: Owner reimbursement instructions will be provided in the remedy owner letter.

Q9: What if an owner has additional questions or concerns?

A9: Owners with questions or concerns are asked to please contact the Toyota Customer Experience Center at 1-888-270-9371 Monday through Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am through 4:00 pm Pacific Standard Time.



Safety Recall C0U (C1U)
2004 through Certain 2009 Model Year Prius Vehicles
Hybrid Electric Water Pump Q&A

Q1: What is the condition?

A1: There is a possibility that the coil wire of the electric motor installed in the Water Pump for the Hybrid System may have been scratched during the coiling manufacturing process at the supplier. In this condition, the coil wire may corrode at the scratched portion and in some cases break. If this occurs, the water pump could stop, leading to the illumination of various warning lights in the instrument panel. In limited instances, a short circuit can occur between adjacent coil wires, resulting in an open fuse for the electric power supply circuit. If the fuse is open, the hybrid system will stop while the vehicle is being driven, which may increase the risk of an accident.

Q2: What is the Hybrid Electric Water Pump?

A2: The Hybrid Electric Water Pump (HV Water Pump) is an electrically driven coolant pump that circulates coolant through the Hybrid System components to provide cooling. The HV Water Pump serves a different purpose than the engine water pump.

Q3: Are there any warning that this condition exists?

A3: There are no warnings prior to the condition occurring. However, if this condition has occurred on the vehicle, a Malfunction Indicator Light, Master Warning Light and/or Hybrid System Warning Light may be illuminated*. In limited cases, if the pump failure causes the power fuse to become open, the Malfunction Indicator Light will not illuminate.

*Diagnostic code P0A93, with information code 346 will be recorded in the Hybrid Electronic Control Module (HV ECM). This code indicates the inverter coolant temperature became higher than the vehicle's HV ECM's expected value.

Q3a: What if a customer has the Malfunction Indicator Light illuminated?

A3a: If the customer experiences a check engine light "ON" condition, the vehicle will continue to operate. However, the customer should contact an authorized Toyota dealer for diagnosis and, if applicable, repair. If the customer is not able to immediately service the vehicle, he or she should confirm that there is sufficient coolant for the Hybrid System before operating the vehicle. The vehicle should be serviced as soon as possible.

Q4: What is Toyota going to do?

A4: Owners of vehicles that are covered by this campaign will receive a notification via first class mail starting in January, 2013. Any authorized Toyota dealer will replace the HV Water Pump assembly with an improved one at **NO CHARGE** to the vehicle owner.

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

A5: There are approximately 350,000 Prius (2004 through certain 2009 Model Year) vehicles covered by this Safety Recall.

Model Name	Model Year	Production Period	Number of Vehicles
Toyota Prius	2004 through certain 2009	Early August, 2003 Through Late March, 2009	Approximately 350,000 units

Q6: Are there any other Toyota, Lexus or Scion vehicles covered by this Safety Recall?

A6: This condition only affects 2004 through certain 2009 model year Prius vehicles. However, Toyota will also be repairing a number of Fuel Cell Hybrid Vehicles that have been placed in operation in test fleets.

Q6a: Why aren't other HV models included in this campaign?

A6a: Other models have a HV water pump manufactured using a different process.

Q7: How long will the repair take?

A7: The repair will take approximately 2.0 hours. However, depending upon the dealer's work schedule, it may be necessary for the owner to make the vehicle available for a longer period of time.

<u>Q8:</u> What is the difference between this Safety Recall and Limited Service Campaign (LSC) A0N which was previously announced?

A8: LSC A0N was to address concerns over potential errors during the inspection and maintenance of the vehicle's hybrid coolant system where air was introduced. That air may remain at the bearing of the HV Water Pump, causing actuation to be slow, resulting in higher coolant temperature and illumination of the Malfunction Indicator Light.

This Safety Recall is to address a manufacturing concern with the vehicle's Hybrid Electric Water Pump assembly which could cause a short circuit, resulting in hybrid system stoppage.

Q8a: If the customer had the remedy for LSC A0N performed, will they need to have the Hybrid Electric Water Pump replaced again?

A8a: No. If the vehicle has had the remedy for LSC A0N performed, it will not require water pump replacement again, because the replacement water pumps used in the LSC do not have possible coil wire scratching.

Q9: What if an owner has previously paid for repairs for this condition?

A9: Owner reimbursement instructions will be provided in the remedy owner letter.

Q10: What if an owner has additional questions or concerns?

A10: Owners with questions or concerns are asked to please contact the Toyota Customer Experience Center at 1-888-270-9371 Monday through Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am through 4:00 pm Pacific Standard Time.