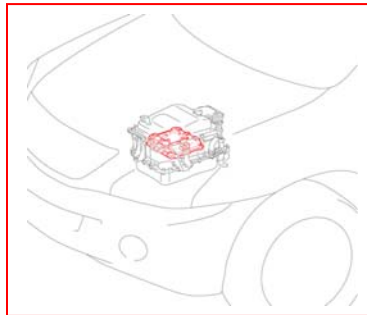


To: All Toyota Dealer Principals, Service Managers, and Parts Managers

Subject: Safety Recall BSJ – **(Supplement to B0J)**
Certain 2006 and 2007 Model Year Highlander Hybrid Vehicles (HV)
Intelligent Power Module (IPM) Replacement

The original remedy for Safety Recall B0J on Certain 2006 and 2007 Model Year Highlander Hybrid Vehicles (HV) was launched in mid-December 2011. **Toyota will be re-notifying certain vehicle owners that have had the inspection completed under Safety Recall B0J to return to the Toyota dealership for another inspection. The vehicles being re-inspected were claimed as “inspection only” on or prior to 6/18/12.**



Background

Toyota Safety Recall B0J involves inspecting the part number and serial number on the hybrid system inverter assembly. Based upon this inspection, it may be necessary to replace a component within the inverter assembly called the intelligent power module transistor (IPM).

TMS received calls from a limited number of dealers indicating that vehicles were experiencing symptoms of the recall after being inspected. Upon investigation, it was discovered that some inspections were not correctly performed following the two-step inspection process. In addition, some characters in the Inverter serial number may have not been input into the website correctly. As a result, some vehicles that needed the IPM to be replaced may not have had the remedy applied correctly.

Based upon this information, Toyota will be re-notifying approximately 7,000 Highlander HV vehicle owners whose vehicles received “inspection only”. The notification will apologize to customers and inform them that their vehicle may not have been inspected correctly and Toyota/Lexus will inspect the vehicle a second time.

Re-inspection and if necessary, IPM replacement

Toyota dealers are requested to inspect the part number and serial number of the inverter assembly of vehicles that have an “inspection only” claim dated 6/18/12 or earlier to determine if the specific inverter is covered by this recall. Based upon the inspection results, the Intelligent Power Module will be replaced at **NO CHARGE** to the vehicle owner. For additional information on inspection and repair procedures, please refer to the B0J technical instruction found on TIS.

The following vital information is provided to inform you and your dealers of the owner notification phase of this campaign and your degree of involvement.

1. Owner Letter Mailing Date

Toyota will begin to notify owners of vehicles that have an “inspection only” claim dated 6/18/12 or earlier in mid-September, 2012 approximately 2 weeks after the dealer communication. The owner notification will be mailed in quantities consistent with parts availability and repair capacity.

Toyota tries very hard to obtain current customer name and address information 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.

2. Pre-Owned Vehicles in Dealer Inventory

Toyota requests dealers to conduct the remedy on any pre-owned vehicles currently in dealer inventory that are covered by this Safety Recall prior to delivery to the customer.

3. Dealer/Owner Lists

Summary Reports, containing the number of covered vehicles in your dealership’s primary marketing area, have been enclosed in the dealer package. (Please verify eligibility by confirming through Dealer Daily or TIS prior to performing repairs.)

4. Number and Identification of Covered Vehicles

There are approximately 7,000 Highlander HV (certain 2006 and 2007 model year) vehicles covered by this Safety Recall in the U.S.

MODEL	WMI	MY	VDS	START	FINISH
HIGHLANDER HV	JTE	2006	DW21A	0001013	0016448
			EW21A	0001066	0033951

MODEL	WMI	MY	VDS	START	FINISH
HIGHLANDER HV	JTE	2007	DW21A	0016527	0017400
			EW21A	0033956	0034651
			GW21A	0016495	0017351
			HW21A	0033959	0034652

Please note that only owners of the covered vehicles will be notified. If a dealer is contacted by an owner who has not yet received the notification, please instruct the dealer to **verify coverage by confirming through Dealer Daily/TIS**. Dealers should perform the procedure as outlined in the Technical Instructions located on TIS.

A UIO matrix by state is provided to inform your dealership of the number of covered vehicles in your state.

STATE	UIO	STATE	UIO	STATE	UIO	STATE	UIO	STATE	UIO
AK	17	HI	4	MI	92	NV	50	UT	74
AL	35	IA	49	MN	147	NY	312	VA	308
AR	25	ID	44	MO	73	OH	132	VT	43
AZ	137	IL	258	MS	13	OK	35	WA	383
CA	1,487	IN	66	MT	12	OR	216	WI	116
CO	338	KS	39	NC	185	PA	267	WV	36
CT	132	KY	59	ND	5	RI	36	WY	13
DC	22	LA	15	NE	19	SC	69		
DE	21	MA	289	NH	48	SD	20		
FL	261	MD	184	NJ	230	TN	83		
GA	117	ME	39	NM	80	TX	204		

5. Parts Ordering Process

In order to assist dealers with the inspection procedure, use the following website to determine if intelligent power module (IPM) transistor replacement is necessary.

<http://b0j-bld-lookup.imagespm.info>

Orders can be placed through the dealership’s facing PDC.

Please refer to the table below and the Technical Instructions for part ordering information.

Model Application	Part No.	Part Name	Qty/Unit
Highlander HV	04001-29148	TRANSISTER, PWR MODULE INTELLIGENT, NO.2	1
	08887-02409	GREASE G747	2

(Parts Ordering Process (Dealer Ordering Solutions) Continued . . .)

IMPORTANT PARTS ORDERING UPDATE

Effective January 1, 2012, All Future Safety Recall, Service Campaign (SSC/LSC) and Customer Support Program (CSP) parts will be 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 additional details.

6. Remedy Procedures

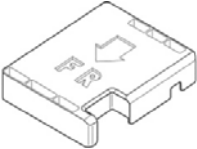
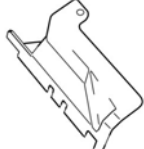
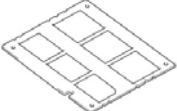


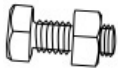
Please refer to TIS for Technical Instructions on inspection and repair. You must be hybrid certified to perform this repair, for additional information on hybrid certification please contact your regional representative.

7. 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.

8. Campaign Special Service Tools

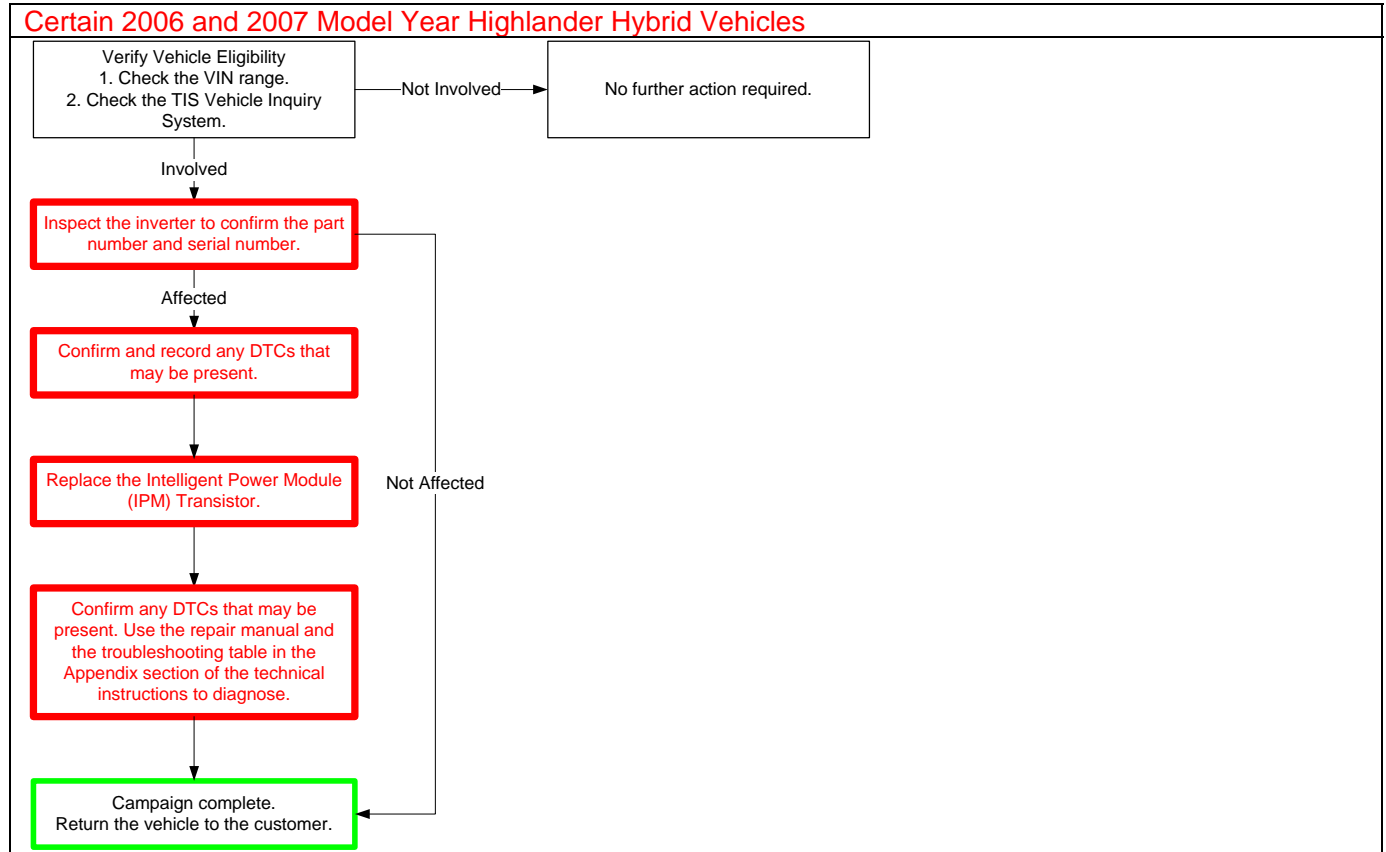
The B0J campaign tools that were sent to your dealership in December, 2011 contains the necessary tools to perform this repair

Part Name	Sample	Qty	Part Name	Sample	Qty
Protective Cover A		1	Protective Cover B		1
Masking Plate		1	Squeegee		1
Stud Bolt		2	Masking Plate Nut/Bolt		4

NOTE: If additional gloves are needed they can be ordered through SPX by calling 800-933-8335 (Gloves are not included in the Campaign Tool Kit)

Part Number	Part Name	Quantity
00002-03100-S	Electrical Insulating Gloves (Small)	1
00002-03200-M	Electrical Insulating Gloves (Medium)	
00002-03300-L	Electrical Insulating Gloves (Large)	

9. Warranty Reimbursement Procedure



Safety Recall	Op. Code	Description	Flat Rate Hour
BSJ	2502HA	Check Inverter Part Number and Serial Number – Not Affected	0.3 hr/vehicle
	2502HB	Perform Inspection – Replace IPM transistor for AWD model HW21A & EW21A	3.5 hr/vehicle
	2502HE	Perform Inspection – Replace IPM transistor for 2WD model GW21A & DW21A	3.4 hr/vehicle

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- Toyota Genuine Brake Cleaner and Toyota Genuine Throttle Plate Cleaner or equivalent can be claimed as sublet type “OF” Under OP Code 2502HB or 2502HE at a rate of \$5.00 per vehicle (marking pens and electrical tape is also included in the sublet cost)
- Parts replaced under OP code 2502HB and 2502HE are subject to warranty parts return, any misuse of these operation codes will result in a warranty claim debit

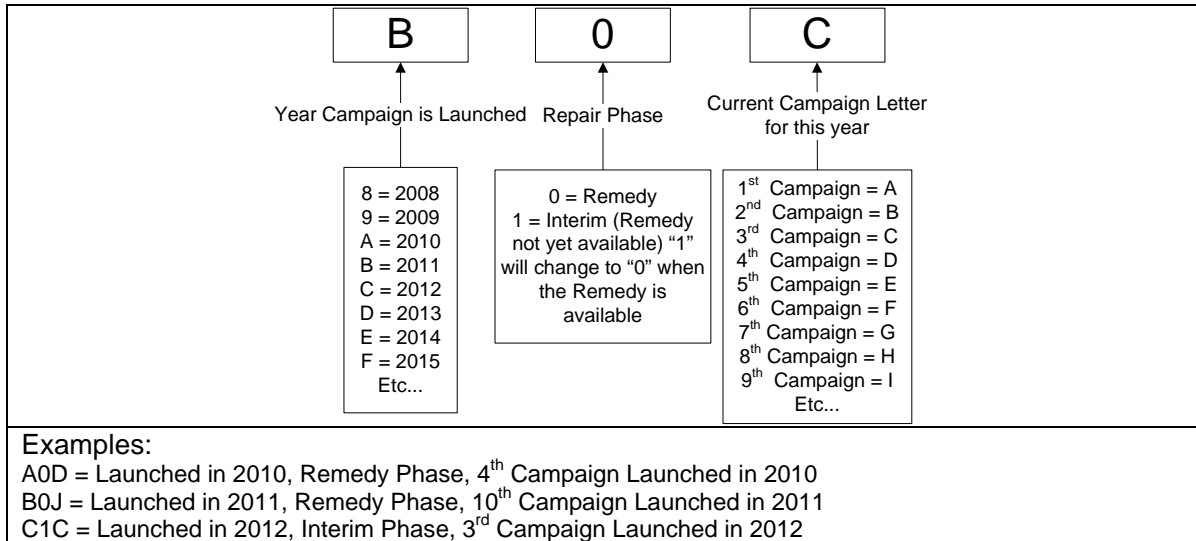
Safety Recall	Op. Code	Description	Flat Rate Hour
BSJ	Contact Region Rep.	Perform Inspection, Replace the IPM, DTC present after IPM replacement, replace Inverter Assembly on AWD Models HW21A & EW21A	Contact Region Rep.
		Perform Inspection, Replace the IPM, DTC present after IPM replacement, replace Inverter Assembly on 2WD Models GW21A & DW21A	Contact Region Rep.

- Regional representative will provide available sublets for this operation

Important Note: If you have DTCs Present after performing the IPM replacement, please consult the Technical Instruction Appendix and repair manual for DTC diagnosis. In the event you need further assistance diagnosing the current DTCs please contact the Technical Assistance Hotline – QA Powertrain Department at 800-233-3178. **Do not file a claim for Intelligent Power Module replacement;** you will need to obtain an Op. Code from your regional representative for Inverter Replacement.

(Warranty Reimbursement Procedure Continued . . .)

Campaign Designation Decoder



10. 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.)

11. Customer Contacts

A Q&A has been attached for your use in the event you receive a customer contact. If a customer has further questions, please direct the inquiry to the Toyota Customer Experience Center at 1-800-331-4331.

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 Recall.

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



Safety Recall BSJ – (Supplement to B0J)
Certain 2006 and 2007 Model Year Highlander HV Vehicles
Intelligent Power Module (IPM) Replacement - Q&A

Background

The original remedy for Safety Recall B0J on Certain 2006 and 2007 Model Year Highlander Hybrid Vehicles (HV) was launched in mid-December 2011. **Toyota will be re-notifying certain vehicle owners that have had the inspection completed under Safety Recall B0J to return to the Toyota dealership for another inspection. The vehicles being re-inspected were claimed as “inspection only” on or prior to 6/18/12.**

Q1: Why is Toyota conducting a supplemental recall for B0J?

A1: TMS received calls from a limited number of dealers indicating that vehicles were experiencing symptoms of the recall after being inspected. Upon investigation, it was discovered that some inspections were not correctly performed following the two-step inspection process, which includes a website verification step. In addition, some characters in the Inverter serial number may have not been input into the website correctly. As a result, some vehicles that needed the IPM to be replaced may not have had the remedy applied correctly.

Q2: What is the condition?





A2: The IPM is located inside of the Hybrid System Inverter and contains a control board with transistors. Certain transistors on the control boards of some of the subject vehicles were inadequately soldered and could be damaged from heat caused by a large current during high-load driving. If this occurs, various warning lamps will be illuminated on the instrument panel. The vehicle may enter a fail-safe/limp-home mode that limits the driving speed of the vehicle. Also, it is possible that the hybrid system will shut down while the vehicle is being driven, causing the vehicle to stall unexpectedly, increasing the risk of a crash.


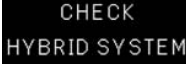

Q2a: What is the Hybrid System Inverter?

A2a: The hybrid system inverter converts high-voltage DC, stored in the HV battery, into AC for the motor generator. It also converts AC into DC during regenerative braking for storage in the HV battery.

Q3: Which Warning Lamps are illuminated on the instrument panel when the vehicle enters fail-safe driving mode?

A3: All of the following warning lights and messages will be illuminated on the instrument panel when the vehicle enters the fail-safe driving mode. The fail-safe driving mode will result in reduced motive power in which the vehicle can still be driven at limited driving speed for short distances.

	<i>Warning lights</i>
	Master Warning Light
	Slip Indicator
	Check Engine Warning Light
	Electronically Controlled Brake System Warning Light (yellow indicator)

	<i>Warning messages</i>
	Malfunction of VSC function is detected.
	Hybrid system malfunction is detected.
	All Wheel Drive system malfunction is detected.

Q3a: How long and what distance can a vehicle be driven when the vehicle enters fail-safe driving mode?

A3a: The distance a vehicle will continue to travel in fail-safe driving mode will vary based upon the hybrid battery state of charge and the road conditions. If a vehicle enters fail-safe driving mode, the driver should pull-over and stop the car in a safe area. The driver should immediately contact his/her local Toyota dealer for assistance.

Q4: What is Toyota going to do?

A4: Any authorized Toyota dealer will inspect the Inverter Assembly and, if necessary, replace the Intelligent Power Module at **NO CHARGE** to the vehicle owner.

Q5: Which and how many vehicles are covered?

A5: There are approximately 7,000 Toyota Highlander HV and approximately 4,400 Lexus RX 400h vehicles covered by this Safety Recall in the U.S.

Model Name	Model Year	B0J Inspection Period	Number of Vehicles
Toyota Highlander HV	Certain 2006 and 2007	December 19, 2011 through June 18, 2012	Approximately 7,000 units
Lexus RX 400h	Certain 2006 and 2007	December 19, 2011 through June 18, 2012	Approximately 4,400 units

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

A5a: No. There are no other Toyota or Lexus models covered by this Safety Recall.

Q6: How long will it take to conduct the remedy?

A6: The Inspection of the inverter assembly and, if necessary, replacement of the Intelligent Power Module will take approximately 4 hours. However, it may be necessary for the owner to make the vehicle available for a longer period of time depending upon the dealer's work schedule.

Q7: What if a customer has previously paid for repairs to their vehicle for the condition described above?

A7: Owners are requested to refer to the remedy owner letter for instructions to request reimbursement for previous repair costs.

Q8: What if an owner has additional questions or concerns?

A8: 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.

**Certain 2006 and 2007 Model Year Highlander Hybrid (HV) Vehicles
Hybrid System Inverter, Intelligent Power Module
SAFETY RECALL NOTICE**

[VIN]

Dear Toyota Customer:

This notice is being sent to you in accordance with the requirements of the National Traffic and Motor Vehicle Safety Act. Toyota has decided that a defect, which relates to motor vehicle safety, exists in certain 2006 and 2007 Model Year Highlander Hybrid (HV) Vehicles.

What is the condition?

Recently, your vehicle was inspected under this Safety Recall. At that time it was determined that your vehicle was not covered by the recall. However, due to a potential error when your vehicle was originally inspected, Toyota would like to reinspect your vehicle's inverter and if necessary, replace the Intelligent Power Module (IPM). We apologize for this inconvenience.

The Intelligent Power Module (IPM) is located inside of the Hybrid System Inverter (Inverter) and contains a control board with transistors. Certain transistors on the control boards of some of the subject vehicles were inadequately soldered and could be damaged from heat caused by a large current during high-load driving. If this occurs, various warning lamps will be illuminated on the instrument panel. The vehicle may enter a fail-safe/limp-home mode that limits the driving speed of the vehicle. Also, it is possible that the hybrid system will shut down while the vehicle is being driven, causing the vehicle to stall unexpectedly, increasing the risk of a crash.

What is Toyota going to do?

Any authorized Toyota dealer will inspect the Inverter and, if necessary, replace the IPM at **NO CHARGE** to you.

What should you do?

This is an important Safety Recall

Due to a potential error when your vehicle was originally inspected, please contact any authorized Toyota dealer and make an appointment to have the Inverter inspected to determine if it is covered by the recall.

If the Inverter is covered by the recall, the IPM will be replaced. Replacement of the IPM will take approximately 4 hours. However, depending upon the dealer's work schedule, it may be necessary to make your vehicle available for a longer period of time.

You do not need an owner letter to have this recall completed; however, to assist the dealer in confirming vehicle eligibility, we request that you present this notice at the time of your service appointment.

If you would like to update your vehicle ownership or contact information, please go to www.toyota.com/ownersupdate. You will need your full 17-digit Vehicle Identification Number (VIN) to input the new information.

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 Toyota Customer Experience Center at 1-888-270-9371 Monday through Friday, 5:00 am to 6:00 pm, Saturday 7:00 am through 4:00 pm Pacific Standard Time.

If you believe that the dealer or Toyota has failed or is unable to remedy the defect within a reasonable time, 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 <http://www.safercar.gov>.

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

If you have previously paid for repair to your vehicle for this specific condition prior to receiving this letter, please mail a copy of your repair order and proof-of-payment to the following address for reimbursement consideration:

Toyota Motor Sales, U.S.A., Inc
Toyota Customer Experience, WC 10
19001 South Western Avenue

Torrance, CA 90509

Include your name, address, and telephone number(s) in your request. Please allow us 6-8 weeks to process your request.

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 condition may have caused you.

Thank you for driving a Toyota.

Sincerely,

TOYOTA MOTOR SALES, U.S.A., INC.

SAMPLE