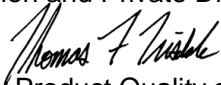

INTEROFFICE MEMORANDUM

Original Publication Date: August 2, 2018

To: All Toyota Region and Private Distributor General Managers / Vice Presidents

From: Tom Trisdale 
Vice-President, Product Quality and Service Support

Subject: Special Service Campaign JSD – **Remedy Notice**
Certain 2014 – 2017 Model Year Toyota Corolla Vehicles
Certain 2017 Model Year Toyota Corolla iM Vehicles
Certain 2016 Model Year Scion iM Vehicles
Continuously Variable Transaxle (CVT) Software Update

Specific information for Region support is provided below.

Condition

An Electronic Control Unit (ECU) in the subject vehicles has improper programming that could lead a component in the Continuously Variable Transmission (CVT) to unnecessarily cycle and experience abnormal wear. If this component becomes damaged, the Malfunction Indicator Lamp (MIL) may illuminate in the instrument cluster and the vehicle could experience a reduction of speed. After reaching a pre-determined gear ratio, the vehicle can be operated up to approximately 37 mph.

Dealer Notification

The attached Dealer Letter will be sent to all Toyota dealers on August 2, 2018.

CVT Replacement for Vehicles Exhibiting JSD Condition and are out-of-Warranty:

Where a CVT replacement is required due to the vehicle exhibiting the JSD condition (DTC P2820 is present), the majority of these replacements will be covered by Toyota's New Vehicle Powertrain Warranty. However, in limited cases where the vehicle is no longer covered by regular warranty and CVT assembly replacement is required, dealers are instructed to contact their DSPM to obtain **TWO** items:

- Authorization to replace the CTV assembly and,
- Warranty claim filing instructions.

Step 1 - Authorize CVT Assembly Replacement:

The dealer will provide the DSPM with the VIN, mileage, Date of First Use (DOFU), and a screenshot of the vehicle Health Check proving that DTC P2820 is present.

- The DSPM will examine the mileage and DOFU to ensure that the vehicle is not covered by Toyota’s New Vehicle Powertrain Warranty (out-of-warranty). **Note:** If the vehicle is still covered by warranty, advise the dealer that DSPM-authorization is not required to proceed with CVT assembly replacement. In this case, the dealer should refer to the Dealer Letter for complete instructions.
- The DSPM will examine the screen shot of the vehicle Health Check to confirm that DTC P2820 is present. An example of this screenshot is shown below:

The screenshot shows the Techstream software interface for a 2014 Corolla. The VIN is 5YFBURHE3E0000000. The Health Check Results section shows a table of Diagnostic Trouble Codes (DTCs) for the Engine and ECT system. The DTC P2820 is present, with 'Curr' and 'Hist' columns marked with 'X'. Red boxes and arrows highlight the VIN and the DTC P2820 entry.

| System | Monitor Status | DTC | Curr | Pend | Hist | Perm | Calibration | Update |
|-----------------------|----------------|-------|------|------|------|------|--------------|--------|
| Engine and ECT | Inc | P2820 | X | X | X | X | 302Y7000 | No |
| Smart Key | - | U0142 | | | X | | 50206000 | No |
| Power Source Control | - | U0140 | | | X | | - | - |
| Cruise Control | - | | | | | | F152612291 | No |
| ABS/VSC/TRAC | - | | | | | | 8965B02052 | No |
| EMPS | - | | | | | | - | - |
| Tire Pressure Monitor | - | | | | | | 8865002D0010 | No |
| Occupant Detection | - | | | | | | 8380002X5003 | No |
| Air Conditioner | - | | | | | | 892210238003 | No |
| Combination Meter | - | | | | | | - | - |
| Main Body | - | | | | | | - | - |
| D-Door Motor | - | | | | | | 8917F02244 | No |
| Sliding Roof | - | | | | | | - | - |
| SRS Airbag | - | | | | | | - | - |
| Starting Control | - | | | | | | - | - |

Step 2 – Provide Dealer with Warranty Claim Filing Instructions:

These warranty claim filing instructions are only applicable to out-of-warranty vehicles requiring CVT assembly replacement. Vehicles that are still in-warranty require separate warranty claim filing instructions which are described in the Dealer Letter.

Option #1 - DTC P2820 was present upon vehicle's arrival at the dealership:

If the vehicle is in-warranty, and had DTC P2820 present upon the vehicle's arrival at the dealership, use one of the OpCodes below to file a warranty claim for replacing the CVT assembly.

| Model | Opcode | Description | Flat Rate Hours |
|-------------------------------|--------|--|-----------------|
| Toyota Corolla | JSD009 | Perform software update + Replace CVT Assembly | 6.6 |
| Scion iM Toyota Corolla iM | JSD010 | Perform software update + Replace CVT Assembly | 8.5 |

- The flat rate times include 0.1 hours of administrative cost per unit for the dealership.
- **Toyota Corolla Vehicles:** The combine cost of up to 4.0 liters of CVT fluid and up to 5.5 liters of Toyota Super Long Life Coolant can be claimed at a maximum rate of \$129.00 per vehicle under OpCode JSD009 as sublet type "OF".
- **Toyota Corolla iM and Scion iM Vehicles:** The combine cost of up to 4.0 liters of CVT fluid and up to 5.8 liters of Toyota Super Long Life Coolant can be claimed at a maximum rate of \$131.00 per vehicle under OpCode JSD010 as sublet type "OF".
- A loaner vehicle or, alternative transportation, through the Toyota Rent-A-Car (TRAC) can be claimed at maximum rate of \$35.00 per day as sublet type "RT" for a maximum of 2 days under OpCodes JSD009 or JSD010.
- If the remedy parts are not available due to back order situation, a loaner vehicle or, alternative transportation through the Toyota Rent-A-Car (TRAC) can be claimed at maximum rate of \$35.00 per day as sublet type "RT" for a maximum of 60 days under OpCode JSD009 or JSD010.
 - **Rentals greater than 4 days or \$35.00 per day require DSPM authorization as per the Toyota Transportation Assistance Policy (TTAP).**
 - **Rental invoice *MUST* be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.**

Option #2 - DTC P2820 was present after the solenoid valve inspection was performed:

If the vehicle is out-of-warranty, and did not have DTC P2820 present upon arrival at the dealership, but DTC P2820 was present after performing the solenoid valve inspection, use one of the OpCodes below to file a warranty claim for replacing the CVT assembly.

| Model | Opcode | Description | Flat Rate Hours |
|-------------------------------|--------|--|-----------------|
| Toyota Corolla | JSD005 | Perform software update + Perform the solenoid valve inspection + Replace CVT Assembly | 6.7 |
| | JSD007 | Software update not required (vehicle already had latest software calibration) + Perform solenoid valve inspection + Replace CVT assembly | 7.0 |
| Toyota Corolla iM Scion iM | JSD006 | Perform software update + Perform the solenoid valve inspection + Replace CVT Assembly | 8.6 |
| | JSD008 | Software update not required (vehicle already had latest software calibration) + Perform solenoid valve inspection + Replace CVT assembly | 9.1 |

- The flat rate times include 0.1 hours of administrative cost per unit for the dealership.
- **Toyota Corolla Vehicles:** The combine cost of up to 4.0 liters of CVT fluid and up to 5.5 liters of Toyota Super Long Life Coolant can be claimed at a maximum rate of \$129.00 per vehicle under OpCodes JSD005 or JSD007 as sublet type "OF".
- **Toyota Corolla iM and Scion iM Vehicles:** The combine cost of up to 4.0 liters of CVT fluid and up to 5.8 liters of Toyota Super Long Life Coolant can be claimed at a maximum rate of \$131.00 per vehicle under OpCodes JSD006 or JSD008 as sublet type "OF".
- A loaner vehicle or, alternative transportation, through the Toyota Rent-A-Car (TRAC) can be claimed at maximum rate of \$35.00 per day as sublet type "RT" for a maximum of 3 days under OpCodes JSD005, JSD007, JSD006, or JSD008.
- If the remedy parts are not available due to back order situation, a loaner vehicle or, alternative transportation through the Toyota Rent-A-Car (TRAC) can be claimed at maximum rate of \$35.00 per day as sublet type "RT" for a maximum of 60 days under OpCodes JSD005, JSD007, JSD006, or JSD008.
 - **Rentals greater than 4 days or \$35.00 per day require DSPM authorization as per the Toyota Transportation Assistance Policy (TTAP).**
 - **Rental invoice MUST be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.**

Please reference the attached Dealer Letter for additional details.

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

Thank you for your cooperation.