Toyota Motor Sales, USA, Inc. 6565 Headquarters Drive Plano, TX 75024

(469) 292-4000

Original Publication Date: March 28, 2018

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

Subject: Special Service Campaign J0D – *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

Condition

The subject vehicles' transmission has improper programming that could lead a component to unnecessarily cycle and experience abnormal wear. If this component becomes damaged, the malfunction indicator lamp 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.

Remedy

Any authorized Toyota dealer will perform an update to the CVT control software at **NO CHARGE**. Additionally, in the unlikely event that the vehicle is exhibiting the condition, any authorized Toyota dealer will repair* or replace the CVT assembly at **NO CHARGE**.

*: At this time, CVT <u>repair</u> is not available. In the unlikely event that the vehicle is exhibiting the condition, the CVT assembly should be <u>replaced</u>. If a CVT repair for this condition becomes available in the future, the CVT may be repaired.

Covered Vehicles

There are approximately 1,300,800 vehicles involved in this Special Service Campaign. Approximately 17,800 vehicles involved in this Special Service Campaign were distributed to Puerto Rico.

Model Name	Model Year	Approximate UIO	Production Period
Toyota Corolla	2014 – 2017	1,263,300	Late April 2013 – Late July 2017
Toyota Corolla iM	2017	19,700	Mid-March 2016 – Mid-June 2017
Scion iM	2016	17,800	Early February 2015 – Early August 2016

Owner Letter Mailing Date

Toyota will begin to notify owners in April 2018. A sample of the owner notification letter has been included for your reference.

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 Special Service Campaign 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.

New and Used Vehicles in Dealership Inventory (In-Stock Vehicles)

To ensure customer satisfaction, Toyota requests that dealers complete this Special Service Campaign on any new or used vehicles currently in dealer inventory that are covered by this Special Service Campaign prior to customer delivery. However, if the campaign cannot be completed (for example, due to remedy parts availability), delivery of a covered vehicle is acceptable if disclosed to the customer that the vehicle is involved in a Special Service Campaign.

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 J0D" 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 (https://dealerdaily.toyota.com/). The Vehicle Inventory Summary may take up to 24 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.

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 hold at least one of the following certification levels:

Certified Technician (Drivetrain) Expert Technician (Any specialty) Master Technician Master Diagnostic Technician

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 with the above certification level or greater 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.

Remedy Procedures

Refer to TIS for Technical Instructions on repair. Conduct all non-completed Safety Recalls and Service Campaigns on the vehicle during the time of appointment.

CVT Assembly Replacement – DSPM Authorization Required (Out of warranty vehicles ONLY).

If the vehicle requires CVT assembly replacement and is out-of-warranty, you must obtain DPSM authorization prior to proceeding with CVT assembly replacement. <u>Note:</u> Vehicles that are still in-warranty do not require DSPM authorization for CVT assembly replacement.

Step 1:

Contact your DSPM and provide him/her with the VIN, current mileage, date of first use (DOFU), and a screenshot proving DTC P2820 is present. An example of this screen shot is shown in the Parts Ordering Process section. The DPSM will use this information to verify that the vehicle is out of warranty and DTC P2820 is present.

Step 2:

If the DSPM authorizes the repair, he/she will provide your dealership with a special OpCode to claim the cost of performing the repair.

Vehicles Emission Recall Proof of Correction Form (California only)

As this Special Service Campaign includes emission related parts, California dealers are requested to fill out the Vehicle Emissions Recall – Proof of Correction form after repairs have been completed. The vehicle owner may require this form for vehicle registration renewal. *It is important to note that the forms are an official state document and blank forms must be secured to prevent misuse.* Booklets can be ordered from the MDC (material number 00410-92007).

Please complete the form and provide it to the owner. The first non-completed VINs will be submitted to the California state DMV by May 31, 2018. If the vehicle owner's warranty claim will not be processed and paid prior to this date, please be sure to complete a form and provide it to a California owner.



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.

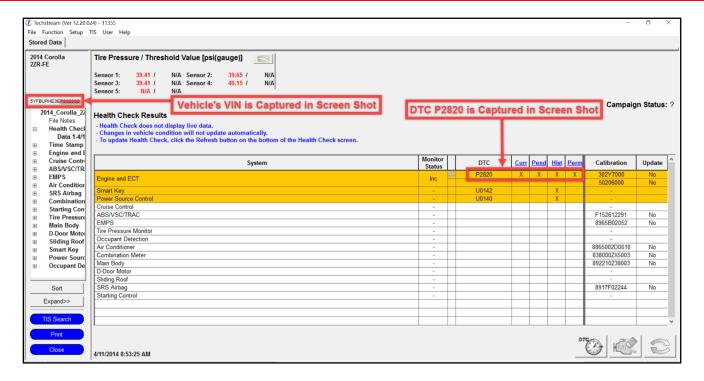
Parts Ordering Process- Non SET and GST Parts Ordering Process

Note: Parts are only required in the unlikely event that the vehicle has experienced the condition (DTC P2820 is present) and if it requires a CVT assembly replacement.

Due to potentially limited availability, the parts may have been placed on either Manual Allocation Control (MAC) or Dealer Ordering Solutions (DOS). As the parts inventory changes, the ordering process may change. Please check the Toyota Special Activities MAC/DOS report on Dealer Daily for the most up-to-date parts ordering information.



Record a screenshot of the vehicle Health Check proving that DTC P2820 is present. If the parts are currently placed on MAC, you will be required to submit this screenshot before Toyota releases the parts required to perform CVT replacement. The screenshot must include the VIN and DTC P2820, below is an example of this screenshot.

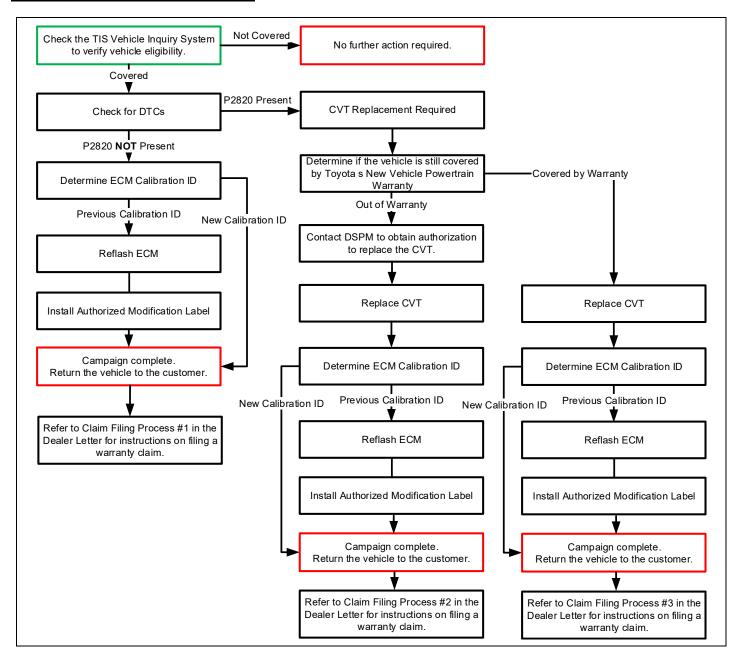


Parts Ordering Process Continued...

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.

The applicable P/Ns and quantities can be found in T-SB-0289-17 (Toyota vehicles) or S-SB-0002-18 (Scion vehicles).

Warranty Reimbursement Procedure



Warranty Reimbursement Procedure Continued...

Claim Filing Process #1

Opcode	Description	Flat Rate Hours
LGG11B	Perform software update	0.6
LGG11A	Vehicle has new calibration ID, software update not required	0.3

The flat rate times include 0.1 hours of administrative cost per unit for the dealership.

Claim Filing Process #2

The DSPM will provide your dealership with a special OpCode for the repair.

Claim Filing Process #3

<u>Step 1</u>: File OpCode LGG11B for performing the software update or, if the vehicle already had the new calibration ID and doesn't require software update, file OpCode LGG11A. Filing either OpCode will close-out the campaign.

A loaner vehicle or alternative transportation through the Toyota Rent-A-Car (TRAC) can be claimed up to a maximum of 2 days as sublet type "RT" under OpCode LGG11B or LGG11A.

- Rentals greater than 4 days or \$35.00 per day requires 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.

<u>Step 2</u>: File a warranty claim for replacing the CVT using the applicable OpCodes listed in T-SB-0289-17 (Toyota vehicles) or S-SB-0002-18 (Scion vehicles). *Filing this OpCode will not close-out the campaign.*

Note: Do not file the OpCodes, listed in the Service Bulletins, for performing the software update.

Warranty claim filing will be available within the week of April 6, 2018.

Claim Filing Accuracy and Correction Requests

It is the dealer's responsibility to file claims correctly for this Special Service Campaign This claim filing information is used by Toyota 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 opcode or a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin PRO17-03 to correct the claim.

<u>Customer Reimbursement</u>

Reimbursement consideration instructions will be included in the owner letter.

Media Contacts

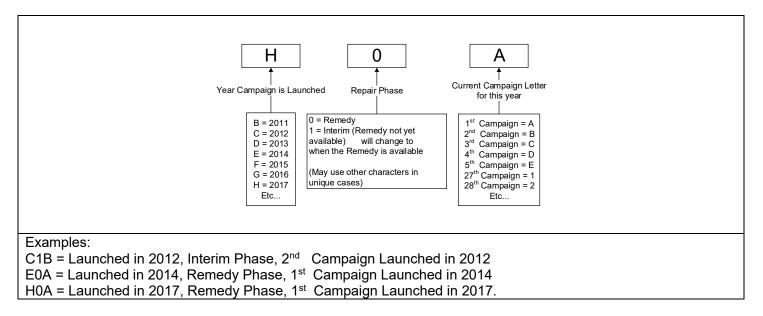
It is imperative that all media contacts (local and national) receive a consistent message. In this regard, all media contacts must be directed to Victor Vanov (469) 292-1318 in Toyota Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media.

Customer Contacts

Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or the Special Service Campaign. 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 Customer Experience Center (1-888-270-9371) - Monday through Friday, 7:00 am to 7:00 pm, Saturday 7:00 am to 4:30 pm Central Time.

Campaign Designation Decoder



Please review this entire package with your Service and Parts staff to familiarize them with the proper stepby-step procedures required to implement this Special Service Campaign.

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



Special Service Campaign J0D – 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

Frequently Asked Questions
Original Publication Date: March 28, 2018

Q1: What is the condition?

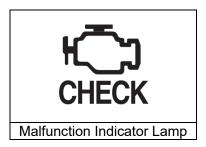
A1: The subject vehicles' transmission has improper programming that could lead a component to unnecessarily cycle and experience abnormal wear. If this component becomes damaged, the malfunction indicator lamp may illuminate in the instrument cluster and the vehicle could experience a reduction of speed. After reaching a pre-determined gear ratio, the vehicle can be operated up to approximately 37 mph.

Q1a: What transmissions are affected?

A1a: The continuously variable transaxle (CVT) is affected. The CVT utilizes a continuous range of gear ratios to control the application of the engine's power-output to the drive wheels.

Q2: Are there are any warnings that this condition exists?

A2: If the condition exists, the malfunction indicator lamp, shown below, 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.



Q3: What is Toyota going to do?

A3: Toyota will send an owner notification by first class mail, starting in April 2018, advising owners to make an appointment with their authorized Toyota dealer to perform an update to the CVT control software at **NO CHARGE**. Additionally, in the unlikely event that the vehicle is exhibiting the condition, any authorized Toyota dealer will repair or replace the CVT assembly at **NO CHARGE**.

NOTE (Customers who live in the state of California)

The state of California requires the completion of Safety Recalls / Service Campaigns on emission related parts prior to vehicle registration renewal. In addition, the State requires that every vehicle must pass an emission test (SMOG Check) every two years and before it is sold. Without the completion of this **NO CHARGE** Special Service Campaign, the California Air Resources Board (CARB) will not allow your vehicle to be registered. State of California Regulations require Toyota to provide the Department of Motor Vehicles with a record of all vehicles that have not had the Special Service Campaign completed.

Your Toyota dealer will provide you with a Vehicle Emissions Recall Proof of Correction Form after the campaign has been completed. Please ensure you retain this form, because the DMV may require that you supply proof that the campaign has been completed during your vehicle registration renewal process.

Q4: Which and how many vehicles are covered by this Special Service Campaign?

A4: There are approximately 1,300,800 vehicles covered by this Special Service Campaign.

Model Name	Model Year(s)	Approximate UIO	Production Period
Toyota Corolla	2014 – 2017	1,263,300	Late April 2013 – Late July 2017
Toyota Corolla iM	2017	19,700	Mid-March 2016 – Mid-June 2017
Scion iM	2016	17,800	Early February 2015 – Early August 2016

Q4a: Are there any other Lexus/Toyota/Scion vehicles covered by this Special Service Campaign

in the U.S.?

A4a: No, there are no other Lexus/Toyota/Scion vehicles covered by this Special Service Campaign.

Q5: How long will the repair take?

A5: The software update takes approximately forty-five minutes. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period. Also, in the unlikely event that the vehicle has exhibited the condition and requires repair or replacement of the CVT assembly, the repair time is approximately seven hours for Toyota Corolla vehicles and approximately nine hours for Toyota and Scion iM vehicles.

Q6: What if I previously paid for repairs related to this Special Service Campaign?

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 Customer Experience Center at 1-888-270-9371 Monday through Friday, 7:00 am to 7:00 pm, Saturday 7:00 am to 4:30 pm Central Time.



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
Special Service Campaign (Remedy Notice)

[VIN]

Dear Toyota Customer:

At Toyota, we are dedicated to providing vehicles of outstanding quality and value. As part of our continuing efforts to provide superior customer satisfaction, Toyota is announcing a Special Service Campaign, which includes your vehicle.

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?

The subject vehicles' transmission has improper programming that could lead a component to unnecessarily cycle and experience abnormal wear. If this component becomes damaged, the malfunction indicator lamp 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.

What will Toyota do?

Any authorized Toyota dealer will perform an update to the CVT control software at **NO CHARGE**. Additionally, in the unlikely event that your vehicle has experienced the condition before receiving the software update, any authorized Toyota dealer will repair or replace the CVT assembly at **NO CHARGE**.

What should you do?

Before you are inconvenienced by this condition, any authorized Toyota dealer will perform the software update at **NO CHARGE** to you.

Please contact your authorized Toyota dealer to make an appointment to have the software update performed. Performing the software update will take approximately 45 minutes. However, depending on the dealer's work schedule, it may be necessary to make your vehicle available for a longer period. Also, in the unlikely event that your vehicle has experienced the condition and requires repair or replacement of the CVT, the repair will take approximately seven hours for Toyota Corolla vehicles and approximately nine hours for Toyota and Scion iM vehicles.

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 the Toyota Customer Experience Center at 1-888-270-9371 Monday through Friday, 7:00 am to 7:00 pm, Saturday 7:00 am to 4:30 pm Central Time.

If you would like to update your vehicle ownership or contact information, you may do so by registering at www.toyota.com/owners. You will need your full 17-digit Vehicle Identification Number (VIN) to input the new information.

If you are a vehicle lessor, please assist us by forwarding this notice to the lessee.

What if you live in California and don't have this Special Service Campaign performed?

The state of California requires the completion of Safety Recalls / Service Campaigns on emission related parts prior to vehicle registration renewal. In addition, the State requires that every vehicle must pass an emission test (SMOG Check) every two years and before it is sold. Without the completion of this **NO CHARGE** Special Service Campaign the California Air Resources Board (CARB) will not allow your vehicle to be registered. State of California Regulations require Toyota to provide the Department of Motor Vehicles with a record of all vehicles that have not had the Special Service Campaign completed.

Your Toyota dealer will provide you with a Vehicle Emissions Recall Proof of Correction Form after the campaign has been completed. Please ensure you retain this form, because the DMV may require that you supply proof that the campaign has been completed during your vehicle registration renewal process.

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, proof-of-payment and ownership information to the following address for reimbursement consideration:

Toyota Customer Experience 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

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.



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 TCUV units. This vehicle is involved in a Special Service Campaign. At this time, remedy parts are not available and the remedy has NOT been performed. I understand that the vehicle will need to be returned to an authorized Toyota dealer to have the remedy performed at **NO CHARGE** when the remedy is available. Customer Signature Toyota recommends that you register with the Toyota Owners Community at http://www.toyota.com/owners/ and regularly check recall applicability using www.toyota.com/recall or www.safercar.gov. You will need to input your 17digit Vehicle Identification Number (VIN). Campaign Code VIN Model Model Year _____ Customer Information Customer Name Customer Email Customer Address Home Phone # Mobile Phone # _____ Date _____ Please provide this information so that Toyota or your dealer can notify you when the remedy becomes available. This information will only be used for campaign communications. If you'd like to update your preferred contact information in the future, visit www.toyota.com/ownersupdate or contact us at 1-888-270-9371. Dealer Information Dealer Name/Address Dealer Code _____ Dealer Phone Number Dealer Staff Name Dealer Staff Signature _____