

Toyota Motor Sales, U.S.A., Inc. 19001 South Western Avenue Torrance, CA 90501 (310) 468-4000

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

Subject: Safety Recall – A0J

Certain 2005 through 2008 Toyota Corolla and Corolla Matrix Vehicles Equipped with 1ZZ-FE

Electronic Control Module (ECM)

Remedy Procedure - Phase 2 (2007 - 2008 model year)

As previously announced in August 2010, Toyota filed a Defect Information Report (DIR) with the National Highway Traffic Safety Administration (NHTSA) informing the agency of our intent to conduct a voluntary Safety Recall on certain 2005 through 2008 model year Toyota Corolla and Corolla Matrix 2WD vehicles equipped with 1ZZ-FE.

Toyota is now launching Phase 2 of this Safety Recall which covers certain 2007 through 2008 Corolla and Corolla Matrix vehicles equipped with 1ZZ-FE.

Background

The ECM for certain 2005 through 2008 Toyota Corolla and Corolla Matrix models equipped with the 1ZZ-FE engine and two-wheel drive may have been improperly manufactured. There is a possibility that a crack may develop at certain solder points or on varistors on the circuit board. In most cases, if a crack occurs at certain points or on certain varistors, the engine warning lamp could be illuminated*, harsh shifting could result, or the engine may not start. In limited instances, if cracking occurs on particular solder points or varistors, the engine could stop while the vehicle is being driven which may increase the risk of a crash.

*Please note the engine warning lamp may illuminate for reasons unrelated to this condition.

Remedy

Toyota dealerships will inspect and, if necessary, replace the ECM at **no cost** to the vehicle owner. For additional information on inspection and repair procedures, please refer to TIS.

The Safety Recall will be launched in two phases. The phases for Safety Recall A0J will be grouped as follows:

- Phase 1: Certain 2005 through 2006 Model Year Corolla and Corolla Matrix vehicles
- Phase 2: Certain 2007 through 2008 Model Year Corolla and Corolla Matrix vehicles

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

1. Owner Notification Mailing Date

The owner notification (Phase 2) will commence on February 7, 2011, approximately one week after the dealer notification. The owner notification letter will be mailed in quantities consistent with parts and repair capacity.

2. <u>Dealer/Owner Lists</u>

Phase 2 Summary Reports, containing the <u>number</u> 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.)

3. Number and Identification of Covered Vehicles

Phase 2 will include certain 2007 through 2008 model year Toyota Corolla and Corolla Matrix vehicles. The number of Toyota Corolla and Corolla Matrix vehicles covered by Phase 2 is approximately 450,000.

Note: There are approximately 1,120,000 Toyota Corolla and Corolla Matrix (certain 2005 through 2008 model year) vehicles covered by this Safety Recall.

Phase 1 Phase 2

Model	WMI	MY	VDS	START	FINISH	
	1NX	2005	BR30E	Z342405	Z568014	
			BR32E	Z342399	Z568020	
	IINA	2006	BR30E	Z568023	Z764634	
			BR32E	Z568021	Z764643	
0000114		2005	BR30E	C316577	C558528	
(Phase 1)	2T1		BR32E	C318782	C558444	
(i flase i)	2006 - 2005 JTD 2006	2006 BR32	BR30E	C558458	C712364	
			BR32E	C556068	C712373	
			BR32E	0053035	0057415	
		JTD	2005	DNJZE	2048917	2067858
			2006	BR32E	0057243	0100017
COROLLA MATRIX 2		2005	KR30E	C318793	C553980	
	2T1		KR32E	C318785	C554037	
(Phase 1)	211	2006	KR30E	C554043	C624052	
(1515 5 1)		2006	KR32E	C552897	C624055	

Model	WMI	MY	VDS	START	FINISH				
	ANIX	2007	BR30E	Z764644	Z936901				
			BR32E	Z764645	Z936908				
	1NX	2008	BR30E	Z000037	Z999992				
0000114			BR32E	Z000000	Z999999				
(Phase 2)		2007 T1 2008	BR30E	C712409	C855660				
(1 11ase 2)	2T1		BR32E	C712376	C855688				
			BR30E	C852673	C939838				
							2000	BR32E	C855691
	JTD	2007	BR32E	0098045	0137755				
		2007	KR30E	C624073	C686136				
COROLLA MATRIX	2T1		KR32E	C622774	C686144				
(Phase 2)		· ·	KR30E	C684705	C720556				
(* ************************************		2006	KR32E	C686148	C720560				

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 affected vehicles in your state.

Corolla and Corolla Matrix Vehicles 2005-2006 Model Year (Phase 1)

STATE	UIO
AK	632
AL	6,677
AR	3,955
AZ	14,462
CA	122,674
CO	7,774
CT	7,249
DC	1,157
DE	1,674
FL	58,172
GA	17,022

STATE	UIO
HI	413
ΙA	3,780
ID	2,127
IL	22,970
IN	7,449
KS	4,481
KY	7,948
LA	8,780
MA	21,556
MD	18,620
ME	3,226

STATE	UIO
MI	6,613
MN	8,438
MO	8,279
MS	3,430
MT	1,024
NC	18,674
ND	549
NE	1,874
NH	4,253
NJ	19,705
NM	3,804

STATE	UIO
NV	5,587
NY	31,410
OH	18,161
OK	5,004
OR	6,722
PA	23,568
RI	3,145
SC	7,033
SD	651
TN	8,732
TX	51,277

UIO
6,448
20,996
1,858
12,663
10,294
3,116
619

(Number and Identification of Covered Vehicles Continued . . .)

Corolla and Corolla Matrix Vehicles 2007-2008 Model Year (Phase 2)

STATE	UIO
AK	383
AL	5,233
AR	3,096
AZ	8,970
CA	75,975
CO	5,070
CT	5,216
DC	774
DE	1,124
FL	38,902
GA	12,029

STATE	UIO
H	192
IA	3,159
J	1,431
IL	16,273
IN	5,584
KS	3,152
KY	5,528
LA	5,955
MA	16,079
MD	12,278
ME	2,453

STATE	UIO
MI	4,465
MN	7,367
MO	6,174
MS	2,191
MT	727
NC	13,102
ND	474
NE	1,356
NH	3,432
NJ	13,067
NM	2,522

UIO
4,048
22,835
13,125
3,751
4,956
16,800
2,385
5,110
534
5,639
37,826

STATE	UIO
UT	4,216
VA	13,979
VT	1,551
WA	8,285
WI	8,318
WV	2,502
WY	429

4. Remedy Procedures

For additional information on inspection and repair please refer to TIS.

Conduct all applicable, non-completed Safety Recall and Service Campaigns on the vehicle during the time of appointment.

5. Parts Ordering

The necessary parts can be ordered through your dealership's facing PDC. Parts have been placed on Manual Allocation and will be released daily per chart (1). Additional ordering instructions will be sent in a separate communication.

Chart (1) Phase 2 2007–2008 Corolla and Corolla Matrix

Service Kit Part Number	Part Description	Order Quantity	Order Frequency	Special Request Quantity	Maximum Weekly Allocation
*04000-46902	Corolla ECU, AT, equipped w/ VSC	1	Weekly	Not Available	1
04000-47102	Corolla ECU, AT, NOT equipped w/ VSC	20	Daily	Not Available	100
*04000-47202	Corolla Matrix ECU, AT, NOT equipped w/ VSC	1	Weekly	Not Available	1
04000-47302	Corolla Matrix ECU, AT, NOT equipped w/ VSC	2	Daily	Not Available	10
04000-47402	Corolla and Corolla Matrix ECU, MT, NOT equipped w/ VSC	2	Daily	Not Available	10
*04000-46102	Corolla ECU, AT, equipped w/ VSC	1	Weekly	Not Available	1
04000-46202	Corolla ECU, AT, NOT equipped w/ VSC	2	Daily	Not Available	10
*04000-46302	Corolla Matrix ECU, AT, NOT equipped w/ VSC	1	Weekly	Not Available	1
04000-46402	Corolla ECU, AT, NOT equipped w/ VSC	1	Daily	Not Available	5
04000-46502	Corolla and Corolla Matrix ECU, MT. NOT equipped w/ VSC	1	Daily	Not Available	5

^{*} These parts require VIN and Repair Order number due to limited inventory resulting from low UIO.

In order to assist dealerships in researching vehicle specific requirements and provide order status information, the following tool has been developed:

 Log-on to the following website using your dealer code and existing password, and enter the VIN to research the appropriate part kits. If you do not have an existing password, please use "xxxxx". http://toyotaa0j.imagespm.info/

Note:

- The website is for part(s) application reference only and will not order the part nor will it confirm campaign completion status.
- The website will only reflect the Service Kit Part Numbers. Although you may be able to use the Service Replacement Part Number, it is not reflected on the website. Please use the following table for reference if necessary:

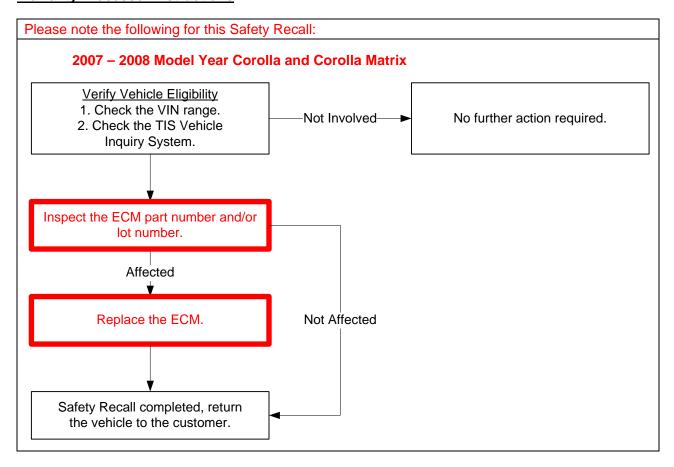
				Part N	lumber
Model Year	Model	Transmission	VSC	Service Kit	Service Repl.
	Osmalla		Equipped	04000-46902	89661-02K12
	Corolla	A/T	Not Equipped	04000-47102	89661-02K22
2007	Matrix	A/ I	Not Equipped	04000-47202	89661-02K32
	IVIALITA		Not Equipped	04000-47302	89661-02K42
	Corolla/Matrix	M/T	Not Equipped	04000-47402	89661-02K52
	0		Equipped	04000-46102	89661-02Q91
	Corolla	A /T	Not Equipped	04000-46202	89661-02R01
2008	Matrix	A/T	Equipped	04000-46302	89661-02R41
	iviallix		Not Equipped	04000-46402	89661-02R51
	Corolla/Matrix	M/T	Not Equipped	04000-46502	89661-02R11

Only a small number of vehicles will need part number 04000-46902 or part number 04000-47202.
 Please confirm the inspection result and with the website prior to ordering these parts.

IMPORTANT PARTS ORDERING REMINDER

Effective March 1, 2009, Safety Recall, Service Campaign (SSC/LSC) and Customer Support Program (CSP) parts do not earn Parts Return Credit Accrual and are not returnable under the Monthly Return Program. It is recommended that you order these parts based on appointments or immediate customer needs using a "Sell One-Buy One" ordering pattern. Please refer to PANT Bulletin 09-12 for additional details.

6. Warranty Processor Instructions



2007	2000	Model	Voor C	'orollo	and Ca	rolla Ma	atrix Vehicles	
/UU/ —	- といいお	wodei	rear c	.orona	and Lo	rona wa	itrix venicies	

Safety Recall #	Op. Code	Description	Flat Rate Hour
A0J	0519H1	Inspect the ECM Part Number and Lot Number – Inspection OK	0.2 hr/vehicle
AUJ	0519H2	 Inspect the ECM Part Number and Lot Number – <i>Inspection NG</i> Replace the ECM 	0.7 hr/vehicle

- The above flat rate times include 0.1 hours for administrative cost per unit for the dealership.
- Rental Car: Use "RT" sublet type for Op. Code 0519H2. Customer rental car through the Toyota-Rent-A-Car (TRAC) Program is available for a maximum of 3 days at a maximum rate of \$35 per day. Rental vehicles must be authorized by a DSPM or the CEC.

The interim inspection procedure, A1J, is now superseded by Safety Recall A0J. All A1J procedures for Phase 2 (2007 through 2008 model year vehicles) must be completed by February 28, 2011. All Claims for A1J Phase 2 vehicles must be submitted no later than March 31, 2011.

(Warranty Processor Instructions Continued . . .)

The following part numbers may be used on the Safety Recall claim. Please refer to the model, model year and equipment application:

				Part N	lumber
Model Year	Model	Transmission	VSC	Service Kit	Service Repl.
	Corolla		Equipped	04000-46902	89661-02K12
	Corolla	A/T	Not Equipped	04000-47102	89661-02K22
2007	Matrix	A/ 1	Not Equipped	04000-47202	89661-02K32
	IVIALITA		Not Equipped	04000-47302	89661-02K42
	Corolla/Matrix	M/T	Not Equipped	04000-47402	89661-02K52
			Equipped	04000-46102	89661-02Q91
		A /T	Not Equipped	04000-46202	89661-02R01
2008		A/T	Equipped	04000-46302	89661-02R41
	Matrix		Not Equipped	04000-46402	89661-02R51
	Corolla/Matrix	M/T	Not Equipped	04000-46502	89661-02R11

7. Customer Handling

Please consider this Safety Recall a great opportunity to focus on assuring customers that their safety remains Toyota's highest priority. Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or Safety Recall remedy. Please welcome them to your dealership and answer any questions they may have. A Q&A is provided to assure a consistent message is communicated.

Certain customer vehicles may require an inspection first and then a second visit to install the ECM. Please be sure to confirm the part number and part availability prior to setting the appointment for the second visit. Toyota Rent-A-Car is available. Please see the Warranty Section for details.

Customers with additional questions or concerns are asked to please contact the Toyota Customer Experience Center (1-888-270-9371).

8. Media Contacts

For News media inquiries only:

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 Corporate Communications. (Please do not provide these numbers to customers or direct dealership associates to call).

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.

Certain 2005 through 2008 Corolla and Matrix Vehicles Engine Control Module (ECM) SAFETY RECALL NOTICE (Replacement Parts Now Available)

[VIN]

Dear Toyota Owner:

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 the Engine Control Module (ECM) for certain 2005 through 2008 Toyota Corolla and Corolla Matrix models equipped with the 1ZZ-FE engine and two-wheel drive.

What is the condition?

The ECM for certain 2005 through 2008 Toyota Corolla and Corolla Matrix models equipped with the 1ZZ-FE engine and two-wheel drive may have been improperly manufactured. There is a possibility that a crack may develop at certain solder points or on varistors on the circuit board. In most cases, if a crack occurs at certain points or on certain varistors, the engine warning lamp could be illuminated*, harsh shifting could result, or the engine may not start. In limited instances, if cracking occurs on particular solder points or varistors, the engine could stop while the vehicle is being driven which may increase the risk of a crash.

*Please note the engine warning lamp may illuminate for reasons unrelated to this condition.

What is Toyota going to do?

The replacement part for your vehicle is now available. Any Toyota dealer will inspect the part number and the lot number located on the ECM. If the ECM is found to be one that requires replacement, the dealer will do so at **NO CHARGE** to you.

What should you do?

This is an important Safety Recall

Please contact your authorized Toyota dealer to make an appointment to have this important remedy performed on your vehicle as soon as possible.

The ECM replacement will take approximately one hour. However, depending on 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 and set up an appointment to perform this Safety Recall. If you require further assistance, you may contact the 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 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, DC 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, proof-of-payment and proof-of-ownership 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 vehicle lessee within ten days of your receipt of this letter.

Thank you for driving a Toyota.

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



Voluntary Safety Recall Campaign

Certain 2005 through 2008 Toyota Corolla and Corolla Matrix 2WD Vehicles Equipped with a 1ZZ-FE Engine Engine Control Module (ECM) – Q&A for Remedy Notice (Phase 2: 2007 - 2008 model year)

Q1: What is the condition?

A1: The ECM for certain 2005 through 2008 Toyota Corolla and Corolla Matrix models equipped with the 1ZZ-FE engine and two-wheel drive may have been improperly manufactured. There is a possibility that a crack may develop at certain solder points or on varistors on the circuit board. In most cases, if a crack occurs at certain points or on certain varistors, the engine warning lamp could be illuminated*, harsh shifting could result, or the engine may not start. In limited instances, if cracking occurs on particular solder points or varistors, the engine could stop while the vehicle is being driven which may increase the risk of a crash. *Please note the engine warning lamp may illuminate for reasons unrelated to this condition.

Q1a: What is a varistor?

A1a: A varistor is an electronic component used to protect circuits against excessive voltage.

Q1b: Are Corolla Matrix AWD vehicles covered by this Safety Recall?

A1b: No. A different ECM is installed in Corolla Matrix AWD vehicles.

Q1c: Are Corolla or Corolla Matrix vehicles equipped with a 2ZZ-FE engine covered by this Safety Recall?

A1c: No. A different ECM is installed in Corolla and Corolla Matrix vehicles equipped with a 2ZZ-FE engine.

Q2: What is the cause of this condition?

A2: The ECM in the covered vehicles may have been improperly manufactured.

Q3: Are there any warnings that this condition has occurred?

A3: If this condition occurs, in most of the cases, the check engine light will illuminate. Harsh shifting may also occur. However, there may be some cases where the check engine light does not illuminate or harsh shifting will not occur.

Q4: What is Toyota going to do?

A4: Owners of vehicles covered by the second phase of this Safety Recall will receive a second notification by first class mail beginning in early February 2011. This notification will advise owners that replacement parts are available and to please contact an authorized Toyota dealer to make an appointment to have the vehicle inspected and, if necessary, repaired at NO CHARGE. Any Toyota dealer regardless of whether an owner has received a Safety Recall notification will inspect and, if necessary, replace the ECM at NO CHARGE to the vehicle owner.

Q4a: When does Toyota anticipate the remedy mailing to begin?

A4a: Toyota began mailing the second owner notifications for the phase 1 vehicles in November 2010, advising owners that the replacement parts are available. Toyota will begin mailing the second owner notification for phase 2 vehicles beginning in early February 2011, advising owners that the replacement parts are available.

Q4b: What was communicated in the interim owner notification in last September?

A4b: Owners of vehicles covered by this Safety Recall were notified informing them about the recall and that they will receive a second notice in the future when parts become available, because replacement parts were still being prepared at that time

Q5: What should owners of vehicles covered by this recall do?

A5: They should contact any authorized Toyota dealer and make an appointment to have their vehicles inspected and, if necessary, repaired.

Q6: Which and how many vehicles are involved?

A6: There are approximately 1.13 million Corolla and Corolla Matrix (2005 through 2008 model year) vehicles covered by this voluntary Safety Recall.

	Phase	e 1	Phase	2	
	2005 MY	2006 MY	2007 MY	2008 MY	Total
Corolla 2WD	330,755	257,453	230,356	166,330	984,894
Corolla Matrix 2WD	54,639	34,978	30,763	23,385	143,765
	Phase 1 Total	677,000	Phase 2 Total	450,000	

Q7: What is the production period of the affected vehicles?

A7: The vehicles covered by this Safety Recall were produced from April, 2004 to January, 2008.

Q8: Are there any other Toyota or Lexus vehicles covered by this Safety Recall?

A8: No. Only certain 2005 through 2008 Toyota Corolla & Corolla Matrix 2WD vehicles equipped with a 1ZZ-FE engine.

Q8a: What are the various trim levels for Corolla and Corolla Matrix?

A8a:

Vehicles Covered by the Safety Recall

	-		
Model	Trim	Engine	Trans
	4-Door Sedan CE	4 Cylinder 1ZZ-FE	4AT / 5MT
Corolla '05 – '08	4-Door Sedan LE	4 Cylinder 1ZZ-FE	4AT / 5MT
	4-Door Sedan S	4 Cylinder 1ZZ-FE	4AT / 5MT
Matrix '05 – '08	4-Door Wagon (Base)	4 Cylinder 1ZZ-FE	4AT / 5MT
Mainx 05 – 06	4-Door Wagon XR	4 Cylinder 1ZZ-FE	4AT / 5MT

Vehicles <u>Not</u> Covered

Model	Trim	Engine	Trans
Corolla '05 – '06	4-Door Sedan XRS	4 Cylinder 2ZZ-GE	6MT
	4-Door Wagon Base AWD	4 Cylinder 1ZZ-FE	4AT
Matrix '05 - '06	4-Door Wagon XR AWD	4 Cylinder 1ZZ-FE	4AT
	4-Door Wagon XRS	4 Cylinder 2ZZ-GE	6MT

Q9: What if an owner has previously paid for the replacement of the ECM to address this specific condition?

A9: Owners that have previously paid for replacement of the ECM to address this specific condition should refer to the owner letter for reimbursement consideration instructions.

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

A10: Owners with additional 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 Time.