TOYOTA

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:

Warranty Enhancement Program - ZE7

Certain 2007-2009 Camry

Certain 2007-2011 Camry Hybrid Certain 2007-2008 Camry Solara

Certain 2009 Corolla

Certain 2009 Corolla Matrix Certain 2006-2008 RAV4 Certain 2007-2009 Scion tC Certain 2008-2009 Scion xB

Extension of Warranty Coverage for 2AZ Engine Oil Consumption

As part of our continual efforts to ensure the best in customer satisfaction, Toyota is preparing a Warranty Enhancement Program to extend warranty coverage to address customer complaints of Excessive Engine Oil Consumption on Certain 2007-2009 Camry, Certain 2007-2011 Camry Hybrid, Certain 2007-2008 Camry Solara, Certain 2009 Corolla, Certain 2009 Corolla Matrix, Certain 2006-2008 RAV4, Certain 2007-2009 Scion tC, and Certain 2008-2009 Scion xB, vehicles equipped with a 2AZ engine.

This warranty Enhancement Program will be launched in two phases due to current part production capacity limitations. Initially, Toyota will inform owners that they may seek reimbursement consideration for previous repairs to address excessive engine oil consumption. Once sufficient parts are produced, Toyota will send a second owner notification letter to customers informing them they may seek part replacement if their vehicle has excessive engine oil consumption.

Phase	Description	Tentative Schedule	
1	Reimbursement Only	Mid-December, 2014	
2	Part Replacement for Excessive Engine Oil Consumption	Late Spring, 2015	

The following important information is provided to advise you and your associates of the program notification schedule and the degree of your involvement. Additionally, an FAQ covering details of this Warranty Enhancement Program is enclosed for your reference.

1. Owner Notification Mailing Date

The owner notification will commence in mid-December, 2014 and will be mailed over two months. We have attached a sample owner letter for your reference.

The first owner notification letter will advise customers that they may seek reimbursement consideration for previous repair costs related to excessive engine oil consumption. The letter will also inform customers that Toyota is unable to support part replacement for Engine Oil Consumption at this time. Additionally, owners will be advised that if they believe their vehicle has excessive engine oil consumption, they can contact an authorized Toyota dealer to have the engine oil consumption test performed to determine if they will be eligible for future part replacement once sufficient parts are available. Once sufficient parts are produced, Toyota will send a second owner notification informing customers they may seek part replacement if the vehicle is exhibiting excessive engine oil consumption.

2. Warranty Enhancement Program Details

This Warranty Enhancement Program provides a Primary and Secondary coverage extension to the vehicle's "New Vehicle Limited Warranty" for part repalcement related to Excessive Engine Oil Consumption. If the condition is verified, necessary parts will be replaced in accordance with the applicable Technical Service Bulletin under the terms of this Warranty Enhancement Program.

- The *Primary Coverage* offers warranty enhancement until October 31, 2016, regardless of mileage.
- After the Primary Coverage period ends, *the Secondary Coverage* is applicable for 10 years from the date of first use or 150,000 miles, whichever occurs first.

This coverage is for warranty work performed at an authorized Toyota dealer only. It is subject to the same terms and conditions set forth in the New Vehicle Limited Warranty Section of the Owner's Warranty Information booklet. For example, damage from abuse, an accident, theft and/or vandalism is not covered by the New Vehicle Limited Warranty or this warranty enhancement.

3. Number and Identification of covered Vehicles

There are approximately 1,715,200 vehicles covered by this Warranty Enhancement Program.

Please refer to Warranty Policy Bulletin (Bulletin No. POL14-12) for identification of vehicles covered by this Warranty Extension.

4. Warranty Claim Processing Instructions

Please refer to the Warranty Policy Bulletin (Bulletin No. POL14-12) for warranty claim processing instructions. *All parts replaced are subject to warranty parts recovery.*

5. Oil Consumption Testing and Documentation

During the reimbursement phase of this warranty enhancement program, owners may contact your dealership to have an oil consumption test performed to confirm if their vehicle will be eligible for part replacement once parts become available for Phase 2.

Procedures for the Oil Consumption Test can be found in T-SB-0158-14

Please note the above TSB and related Oil Consumption Test Sheet will be required for claim submission and warranty authorization.

6. Parts Ordering

As this is an extension of the warranty, most customers will only request reimbursement from TMS for part replacements. Dealers should not increase their stock of parts. As always, if a customer experiences the condition described, dealers should conduct appropriate diagnosis and order the applicable parts.

Refer to Warranty Policy Bulletin POL14-12 for detailed parts ordering information.

Dealers are requested to only order parts for vehicles experiencing this condition. **DO NOT ORDER FOR STOCK.** The parts have been placed on Dealer Ordering Solutions and will be systematically released daily. Please see the weekly manual allocation report for additional details.

7. <u>Customer Reimbursement</u>

Please refer to the attached owner letter for reimbursement consideration instructions.

Please review this entire package with your Service and Parts staff to familiarize them with the proper step-bystep procedures required to implement this Warranty Extension.

As part of our dedication to continuous improvement, changes have been incorporated in the production process to ensure the highest quality products are provided to our customers.

Thank you for your cooperation.

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



Warranty Enhancement Program – ZE7 (Phase 1 – Reimbursement Only)

Certain 2007-2009 Camry

Certain 2007-2011 Camry Hybrid

Certain 2007-2008 Camry Solara

Certain 2009 Corolla

Certain 2009 Corolla Matrix

Certain 2006-2008 RAV4

Certain 2007-2009 Scion tC

Certain 2008-2009 Scion xB

Extension of Warranty Coverage for 2AZ Engine Oil Consumption

BACKGROUND

As part of our continual efforts to ensure the best in customer satisfaction, Toyota is preparing a Warranty Enhancement Program to extend warranty coverage to address Excessive Engine Oil Consumption on Certain 2007-2009 Camry, Certain 2007-2011 Camry Hybrid, Certain 2007-2008 Camry Solara, Certain 2009 Corolla, Certain 2009 Corolla Matrix, Certain 2006-2008 RAV4, Certain 2007-2009 Scion tC, and Certain 2008-2009 Scion xB, vehicles equipped with a 2AZ engine.

Q1: What is the condition?

A1: In these vehicles, Toyota has received some reports where vehicles may exhibit excessive engine oil consumption.

Although the Engine is covered by Toyota's New Vehicle Limited Warranty for 5 years or 60,000 miles (whichever occurs first), we at Toyota care about the customers' ownership experience. Toyota is now extending the warranty coverage for parts replacement related to excessive oil consumption*.

*Eligibility for this warranty work is dependent on the results of a dealer performed engine oil consumption test.

Q2: What is Toyota going to do?

A2: This Warranty Enhancement Program will be launched in Two Phases due to limited parts availability.

At this time, Toyota is currently preparing the necessary parts to implement this Warranty Enhancement Program, and anticipates it will take several months to build the necessary parts. Therefore, we are notifying you of the upcoming Warranty Enhancement Program and providing means for you to seek reimbursement for previous repairs to help minimize any out of pocket costs you may have incurred. If you believe your vehicle has excessive engine oil consumption, please contact your local authorized Toyota dealer for diagnosis, and if applicable, warranty work. The dealer will perform an engine oil consumption test to determine if your vehicle will be eligible for parts replacement once sufficient parts have been produced.

We will send you a second owner notification letter once sufficient parts have been produced.

Q2a: Why is Toyota notifying me if there are not sufficient parts to support warranty work?

A2a: Toyota is notifying you at this time to reimburse you for previous repairs for this condition to help minimize any out of pocket costs you may have incurred. Additionally, Toyota will be performing an Engine Oil Consumption test for owners who believe their vehicle is affected by this condition. The results of the Engine Oil Consumption test will help Toyota quantify the number of parts needed to support the parts replacement phase of this program and minimize delays due to part shortages.

Q2b: What is involved in the oil consumption test?

A2b: Any authorized Toyota dealership will check the oil level in your vehicle and fill the engine to the maximum level. The dealership will then seal the system and request that you return to the same dealership in 1100-1300 Miles. Upon return, the dealer will confirm how much oil the vehicle has consumed. If the quantity consumed is in excess of the amount specified in the technical service bulletin, your vehicle will be eligible for parts replacement once sufficient parts

are available. We will send a second owner notification once sufficient parts are available and the dealer can perform parts replacement for eligible vehicles.

Note: If there is evidence of tampering with the sealed system the test will be void.

Q2c: When does Toyota anticipate the second owner notification letter will be sent?

A2c: Due to current production capacity, Toyota anticipates the second owner notification will commence in late spring, 2015.

Q2d: Is oil consumption normal?

A2d: It is normal for the engine to consume some oil during operation. Oil is used to continually lubricate and cool internal engine components during operation. Trace amounts of oil are present in the combustion chamber during the combustion process; therefore a small amount of oil is consumed during normal operation. By performing an oil consumption test, an authorized Toyota Dealership will be able to determine whether a vehicle is eligible for parts replacement under this warranty enhancement program for an excessive Engine Oil Consumption issue.

Q3: Which vehicles are covered by this Warranty Enhancement Program?

A3: There are approximately 1,715,200 vehicles covered by this Warranty Extension.

Model	Model Year	Appx. UIO	Production Period
Camry	Certain 2007-2009	964,500	Early October, 2005 through Mid-March, 2009
Camry Hybrid	Certain 2007-2011	172,000	Early October, 2005 through Early September, 2010
Camry Solara	Certain 2007-2008	14,400	Late March, 2006 through Early September, 2008
Corolla	Certain 2009	3,900	Early January, 2008 through Early September, 2008
Corolla Matrix	Certain 2009	16,000	Early January, 2008 through Early March, 2009
RAV4	Certain 2006-2008	323,600	Early September, 2005 through Early August, 2008
Scion tC	Certain 2007-2009	142,900	Late February, 2006 through Late July, 2008
Scion xB	Certain 2008-2009	77,800	Mid-January, 2007 through Early August, 2008

Q3a: Are there any other Toyota, Lexus or Scion vehicles covered by this Warranty Enhancement Program?

A3a: Yes, this program also covers certain 2010-2012 Model Year HS250h vehicles.

Q4: What are the details of this coverage?

A4: This Warranty Enhancement Program provides a Primary and Secondary coverage extension to the vehicle's "New Vehicle Limited Warranty" for parts replacement related to Excessive Engine Oil Consumption. If the condition is verified, warranty work will be performed in accordance with the applicable Technical Service Bulletin under the terms of this Warranty Enhancement Program.

- The *Primary Coverage* offers warranty enhancement until October 31, 2016, regardless of mileage.
- After the Primary Coverage period ends, the Secondary Coverage is applicable for 10 years from the date of first use or 150,000 miles, whichever occurs first.

This coverage is for warranty work performed at an authorized Toyota dealer only. It is subject to the same terms and conditions set forth in the New Vehicle Limited Warranty Section of the Owner's Warranty Information booklet. For example, damage from abuse, an accident, theft and/or vandalism is not covered by the New Vehicle Limited Warranty or this warranty enhancement.

Q5: What should I do if I believe my vehicle has excessive engine oil consumption?

A5: If you believe your vehicle has excessive engine oil consumption, please contact any authorized Toyota dealer to have an Engine Oil Consumption test performed. If the vehicle is found to be consuming excess oil, it will be eligible for parts replacement under the terms of this Warranty Enhancement Program. However, due to a limited quantity of available parts, owners will be asked to wait until they receive the second owner notification letter to seek warranty work.

Q5a: What if a dealer performs the engine oil consumption test and my vehicle does not qualify for warranty work?

A5a: Any authorized Toyota Dealership will perform an engine oil consumption test at **no charge** to you to determine if the vehicle is eligible for parts replacement under this warranty enhancement program. The test will be performed free of charge regardless of the results.

Q5b: If my vehicle passes the oil consumption test how often can I have my vehicle rechecked?

A5b: If the vehicle does not qualify for warranty work based upon the oil consumption test performed following notification of this Warranty Enhancement Program, one additional oil consumption test can be requested (free of charge under the Program) after 6 months or 5,000 miles has lapsed if the vehicle is still within the terms and conditions of the warranty enhancement program.

Q5c: Will Toyota pay for my oil change?

A5c: No. If your vehicle requires an oil change (based upon mileage or time) when you request to have the oil consumption test performed, the cost of the oil change will be your responsibility. If the vehicle is within the terms of this warranty enhancement program and requires the addition of oil to perform the oil consumption test procedure, it will be provided free of charge.

Q6: Will this condition illuminate a Malfunction Indictor Lamp?

A6: No, if this condition occurs, it will not illuminate a malfunction indicator lamp or set a diagnostic trouble code.

Q7: What if an owner has NOT experienced this condition but would like to have the parts replaced?

A7: This Warranty Enhancement Program only applies to vehicles that have exhibited the condition described above. If an owner has not experienced the condition, he/she is asked to apply the warranty enhancement notification sticker to the Owner's Warranty Information Booklet for future reference.

Q8: How long will the warranty work take?

A8: If the condition is present on the vehicle, the warranty work will take approximately 2 days. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time. A rental vehicle will be provided for the time period necessary to complete the warranty work.

Q9: What if a customer has previously paid for repairs on their vehicle?

A9: Owners that have previously paid for repairs to address excessive engine oil consumption should refer to the owner letter for reimbursement consideration instructions.

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 to 4:00 pm Pacific Time

Re: <VIN>

Dear Toyota Owner:

At Toyota, we are dedicated to providing vehicles of outstanding quality and value. As part of our continual efforts to ensure customer satisfaction, Toyota would like to advise you of an enhancement to portions of your Toyota New Vehicle Limited Warranty. Toyota has received some reports where vehicles may exhibit excessive engine oil consumption.

What should you do?

At this time, Toyota is currently preparing the necessary parts to implement this Warranty Enhancement Program, and anticipates it will take several months to build the necessary parts. Therefore, we are notifying you of the upcoming warranty enhancement program and providing means for you to seek reimbursement for previous repairs to help minimize any out of pocket costs you may have incurred. If you believe your vehicle has excessive engine oil consumption, please contact your local authorized Toyota dealer. They will perform an engine oil consumption test to determine if your vehicle will be eligible for warranty work once sufficient parts have been produced.

We will send you a second owner notification letter once sufficient parts have been produced. If you have not experienced the condition described, there is no action necessary at this time. Please apply the sticker below to your Owner's Manual Supplement/Warranty & Service Guide Information booklet for future reference.

Warranty Enhancement Program Details

This Warranty Enhancement Program provides a Primary and Secondary coverage extension to the vehicle's "New Vehicle Limited Warranty" for replacement of parts related to Excessive Engine Oil Consumption. If the condition is verified, warranty work will be performed in accordance with the applicable Technical Service Bulletin under the terms of this Warranty Enhancement Program*.

- The *Primary Coverage* offers warranty enhancement until October 31, 2016, regardless of mileage.
- After the Primary Coverage period ends, the Secondary Coverage is applicable for 10 years from the date of first use or 150,000 miles, whichever occurs first.

Please note that this coverage is for warranty work performed at an authorized Toyota dealer only.

This Warranty Enhancement Program is limited to your specific vehicle whose Vehicle Identification Number (VIN) is printed below and is subject to the same terms and conditions set forth in the New Vehicle Limited Warranty Section of your Owner's Warranty Information booklet. For example, damage from abuse, an accident, theft and/or vandalism is not covered by the New Vehicle Limited Warranty or this warranty enhancement.

* Please see your Toyota dealer for additional details

	VIIN #:			
Date of	First Use	-	 	

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

If you have previously paid for repair to address an excessive oil consumption condition, 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, USA, Inc.
Toyota Customer Experience WC10
19001 South Western Avenue
Torrance, CA 90509

*Please refer to the attached Reimbursement Checklist for required documentation details.

We have sent this notice in the interest of your continued satisfaction with our products.

Sincerely,

Toyota Motor Sales, U.S.A., Inc.

Peel and Stick Label onto the Owner's Warranty Information Booklet

Q1: Is this a recall?

A1: No. This is not a recall. At Toyota, we are dedicated to providing vehicles of outstanding quality and value. As part of our continual efforts to ensure customer satisfaction, Toyota is advising you of this Enhancement to the Warranty Coverage to assure you that we stand behind the product.

Q2: If my vehicle does not have this condition, do I need to make an appointment with my dealership?

A2: No, you do not need to take your vehicle to a dealership unless your vehicle is exhibiting the condition described in this letter. If you have not experienced this condition, please apply the sticker to your *Owner's Warranty Information booklet* for future reference.

Q3: Is the Warranty Enhancement Program coverage transferable if I sell my vehicle?

A3: Yes, this Warranty Enhancement coverage is fully transferrable to subsequent vehicle owners for the condition and terms specified in the notification letter.

Q4: What should I do if I believe my vehicle has excessive engine oil consumption?

A4: If you believe your vehicle has excessive engine oil consumption, please contact any authorized Toyota dealer to have an Engine Oil Consumption test performed. If the vehicle is found to consume excessive oil, it will be eligible for parts replacement under the terms of this Warranty Enhancement Program. However, due to a limited quantity of available parts, owners will be asked to wait until they receive the second owner notification letter to seek warranty work.

Q4a: What is involved in the oil consumption test?

A4a: Any authorized Toyota dealership will check the oil level in your vehicle and fill the engine to the maximum level. The dealership will then seal the system and request that you return to the same dealership in 1100-1300 Miles. Upon return, the dealer will confirm how much oil the vehicle has consumed. If the quantity consumed is in excess of the amount specified in the technical service bulletin, your vehicle will be eligible for parts replacement once sufficient parts are available.

Note: If there is evidence of tampering with the sealed system the test will be void.

<u>Q4b:</u> What if a dealer performs the engine oil consumption test and my vehicle does not qualify for warranty work?

A4b: Any authorized Toyota Dealership will perform an engine oil consumption test at **no charge** to you to determine if the vehicle is eligible for parts replacement under this warranty enhancement program. The test will be performed free of charge regardless of the results.

Q4c: If my vehicle passes the oil consumption test how often can I have my vehicle re-checked?

A4c: If the vehicle does not qualify for warranty work based upon the oil consumption test performed following notification of this Warranty Enhancement Program, one additional oil consumption test can be requested (free of charge under the Program) after 6 months or 5,000 miles has lapsed if the vehicle is still within the terms and conditions of the warranty enhancement program.

Q4d: Will Toyota pay for my oil change?

A4d: No. If your vehicle requires an oil change (based upon mileage or time) when you request to have the oil consumption test performed, the cost of the oil change will be your responsibility. If the vehicle is within the terms of this warranty enhancement program and requires the addition of oil to perform the oil consumption test procedure, it will be provided free of charge.

Q4e: When does Toyota anticipate the second owner notification letter will be sent?

A4e: Due to current production capacity, Toyota anticipates the second owner notification will commence in late spring, 2015.

Q5: Will my vehicle illuminate a Malfunction Indicator Lamp (MIL) if this condition occurs?

A5: No, if this condition occurs, it will not illuminate a malfunction indicator lamp or set a diagnostic trouble code.

Q6: Is oil consumption normal?

A6: It is normal for the engine to consume some oil during operation. Oil is used to continually lubricate and cool internal engine components during operation. Trace amounts of oil are present in the combustion chamber during the combustion process; therefore a small amount of oil is consumed during normal operation. By performing an oil consumption test, an authorized Toyota Dealership will be able to determine whether a vehicle is eligible for parts replacement under this warranty enhancement program for an excessive oil consumption issue.

Q7: How long will the warranty work take?

A7: If the condition is present on your vehicle, the warranty work will take approximately 2 days. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time. A rental vehicle will be provided for the time period necessary to complete the warranty work.

Q8: What if I have additional questions or concerns?

A8: If you have additional questions or concerns, please contact the Toyota Customer Assistance 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



* Warranty Enhancement Reimbursement Checklist

- □ Repair Order or Invoice
 - Must include the following information
 - Mileage on the date that the repair order was created
 - Itemized breakdown of labor charges for each repair performed
 - Detailed diagnosis statement
- □ Proof-of-Payment
 - Only the Following Items are Valid Proof-of Payment
 - Copy of a cancelled check
 - Copy of a Signed Credit Card Receipt
 - Copy of a Credit Card Statement
 - (If Paid By Cash) Letter from Repair Facility, on company letterhead, signed by the manager, verifying the amount paid by cash
- □ Proof-of-Ownership
 - Only the following items are Valid Proof-of-Ownership
 - Copy of the Bill of Sale
 - Copy of the Title
- □ Name, Address and Phone Number printed on all documents

Detailed diagnosis statement must answer the following three questions:

- 1. Why was the vehicle brought into the repair facility?
- 2. What was the repair facility's diagnosis?
- 3. What did the repair facility do to correct the concern?