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Toyota Motor Sales, USA, Inc.
19001 South Western Avenue
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(310) 468-4000

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

Subject: Warranty Enhancement Program – ZG1
2006-2007 Model Year Highlander Hybrid &
2004-2009 Model Year Prius Vehicles
Extension of Warranty Coverage for Brake Actuator Assembly

In our continuing efforts to ensure the best in customer satisfaction, Toyota is announcing a Warranty Enhancement Program to extend the warranty coverage for the Brake Actuator Assembly on certain 2006-2007 MY Highlander Hybrid and Certain 2004-2009 MY Prius Vehicles.

Background

In these vehicles, Toyota has received some reports where various brake system related warning lamps illuminate due to internal malfunctions of the Brake Actuator assembly.

Although the Brake Actuator Assembly is covered by Toyota's New Vehicle Limited Warranty for 3 years or 36,000 miles (whichever comes first), we at Toyota care about the customers' ownership experience. Toyota is now extending the warranty coverage for repairs related to internal malfunctions of the Brake Actuator Assembly.

The following information is provided to inform you and your staff of the program notification schedule and your degree of involvement.

Warranty Enhancement Program Details

This Warranty Enhancement Program provides enhanced coverage to the vehicle's "New Vehicle Limited Warranty" as it applies to the Brake Actuator Assembly. The specific condition covered by this program are repairs related to an internal malfunction of the Brake Actuator Assembly. If the condition is verified, the vehicle will be repaired with a new Brake Actuator Assembly at **no charge** under the terms of this Warranty Enhancement Program.

- The **Primary Coverage** offers warranty enhancement until December 31, 2017, regardless of mileage.
- After the Primary Coverage end, 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.

Owner Letter Mailing Date

Toyota will begin to notify owners in late April, 2016 and will be mailed over several months. A sample of the owner notification letter has been included for your reference.

Number and Identification of covered Vehicles

There are approximately 736,000 Vehicles covered by this Warranty Enhancement Program.

Please refer to Warranty Policy Bulletin (Bulletin No. POL16-03) for identification of vehicles covered by this Warranty Extension.

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 Chassis
- Expert Chassis
- Master or Master Diagnostic Technician (MDT)

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

Technical instructions for this warranty extension program can be found in T-SB-0032-16

Parts Ordering Process - Non SET and GST Parts Ordering Process

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.

As this is an extension of the warranty, most customers will only request reimbursement from TMS for past replacements; dealers should not increase their stock of related repair parts. *Dealers are requested to only order parts for vehicles experiencing this condition only. DO NOT ORDER FOR STOCK.* As always, if a customer experiences the condition described, dealers should conduct appropriate diagnosis and order the applicable parts.

Refer to Warranty Policy Bulletin: POL16-03 for additional parts ordering information.

Warranty Reimbursement Procedure

Refer to the Warranty Policy Bulletin (Bulletin No. POL16-03 for warranty claim processing instructions. *All parts replaced for this repair are subject to warranty part recovery.*

Customer Reimbursement

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-by-step procedures required to implement this Warranty Extension Program.

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 – ZG1
 2006-2007 Model Year Highlander Hybrid &
 2004-2009 Model Year Prius Vehicles
 Extension of Warranty Coverage for Brake Actuator Assembly**

**Frequently Asked Questions
 Published April 19, 2016**






Q1: What is the condition?

A1: In these vehicles, Toyota has received some reports where various brake system related warning lamps illuminate due to internal malfunctions of the Brake Actuator assembly.

Although the Brake Actuator Assembly is covered by Toyota’s New Vehicle Limited Warranty for 3 years or 36,000 miles (whichever comes first), we at Toyota care about the customers’ ownership experience. Toyota is now extending the warranty coverage for repairs related to internal malfunctions of the Brake Actuator Assembly.

Q1a: Which Brake System Warning Indicators may be related to these conditions?

A1a: If the following warning lamps are illuminated, the vehicle may be experiencing a concern with the Brake Actuator Assembly that is covered by this warranty enhancement.

| | | | | |
|--|--|--|---|--|
|  |  |  |  |  |
| Master Warning Light (Red) | Brake Warning Light (Red) | Electronically Controlled Brake Warning (Yellow) | Anti-Lock Brake System (Yellow) | SLIP Indicator (Yellow) |

Please note: It is possible for the lights above to be illuminated and the condition not be related to this warranty enhancement program.

Q2: What is Toyota going to do?

Owners of vehicles covered by this Warranty Enhancement Program will receive an owner letter via first class mail starting in late April, 2016.

If the owner experiences the condition described above, they should contact their local authorized Toyota dealership for diagnosis. If the condition is verified, the dealer will replace the Brake Actuator Assembly with a new one at **NO CHARGE** to the customer under the terms and conditions of this warranty enhancement program.

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

A3: There are approximately 736,000 Vehicles covered by this Warranty Enhancement Program.

| Model Name | Model Year | Production Period | UIO |
|-------------------|------------|--|---------|
| Highlander Hybrid | 2006-2007 | Late September, 2004 through Mid-May, 2007 | 66,200 |
| Prius | 2004-2009 | Late May, 2003 through Late March, 2009 | 669,700 |

Q3a: Are there any other Lexus/Toyota/Scion vehicles covered by this Warranty Enhancement Program in the U.S.?

A3a: Yes, there are approximately 196,000 Lexus Vehicles Covered by this Warranty Enhancement Program.

| Model Name | Model Year | Appx. UIO |
|------------|------------|-----------|
| GS430 | 2006-2007 | 7,700 |
| GS450h | 2007-2011 | 5,400 |
| GS460 | 2008-2011 | 1,800 |
| LS460 | 2007-2012 | 102,000 |
| RX400h | 2006-2008 | 79,100 |

Q4: What are the details of this coverage?

A4: This Warranty Enhancement Program provides enhanced coverage to the vehicle's "New Vehicle Limited Warranty" as it applies to the Brake Actuator Assembly. The specific condition covered by this program are repairs related to an internal malfunction of the Brake Actuator Assembly. If the condition is verified, the vehicle will be repaired with a new Brake Actuator Assembly at **no charge** under the terms of this Warranty Enhancement Program*.

- The **Primary Coverage** offers warranty enhancement until December 31, 2017, regardless of mileage.
- After the Primary Coverage end, 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: Which part(s) are covered by this Warranty Enhancement Program?

A5: The specific components(s) covered by this warranty extensions are as follows:

- **Brake Actuator Assembly**

Q6: What should an owner do if they experience this condition?

A6: If an owner thinks that they have experienced the condition described in this Warranty Enhancement Program, they should contact their local Toyota dealer for appropriate diagnosis and repair. If the condition is verified as being in accordance with the terms of the warranty extension, the repair will be performed at **no charge** under the terms and conditions of this warranty enhancement program.

Q7: What if the dealer performs diagnosis and determines that the vehicle does not have the condition covered by this Warranty Enhancement Program?

A7: The warning lights can be triggered due to conditions detected not specific to the brake actuator assembly. These additional conditions may require diagnosis or repairs not specifically covered by this Warranty Enhancement. Please be aware that, if the condition is not covered by this warranty enhancement, you may be responsible for the initial diagnostic fees and any other repairs you may decide to have performed. Any authorized Toyota Dealership can determine if a condition is covered by this Warranty Enhancement.

Q8: What if an owner HAS NOT experienced this condition but would like to have the repair completed?

A8: 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 Owners Warranty Information Booklet for future reference.

Q9: *How long will the repair take?*

A9: The repair takes approximately 4 hours for Prius vehicles and approximately 2 hours for Highlander Hybrid vehicles; however, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q10: *What if I previously paid for repairs related to this Warranty Enhancement Program?*

A10: Reimbursement consideration instructions will be provided in the owner letter.

Q11: *How does Toyota obtain my mailing information?*

A11: 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.

Q12: *What if I have additional questions or concerns?*

A12: If you have additional questions or concern, please contact the Toyota Customer Experience Center at 1-888-270-9371 Monday – Friday, 5:00 am to 6:00 pm, or Saturday 7:00 am to 4:00 pm Pacific Time.

Re: <VIN>

Dear Toyota Prius and Highlander HV 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's New Vehicle Limited Warranty. Toyota has received some reports where various brake system related warning lamps illuminate due to internal malfunctions of the Brake Actuator assembly.

Please Note: The warning lights can be triggered due to conditions detected not specific to the brake actuator assembly. These additional conditions may require diagnosis or repairs not specifically covered by this Warranty Enhancement. Please be aware that, if the condition is not covered by this warranty enhancement, you may be responsible for the initial diagnostic fees and any other repairs you may decide to have performed. Any authorized Toyota Dealership can determine if a condition is covered by this Warranty Enhancement.

While the majority of vehicles will not experience this Brake Actuator condition, to assure you that we stand behind our product, we are offering the following New Vehicle Warranty Extension:

What should you do?

Please apply the sticker below to your Owner's Warranty & Maintenance Guide booklet for future reference. If you have not experienced illumination of various brake system related warning lamps* there is no action necessary at this time.

**Please refer to owner FAQ for warning lamps related to this condition.*

Warranty Enhancement Program Details

This Warranty Enhancement Program provides enhanced coverage to the vehicle's "New Vehicle Limited Warranty" as it applies to the Brake Actuator Assembly. The specific condition covered by this program are repairs related to an internal malfunction of the Brake Actuator Assembly. If the condition is verified, the vehicle will be repaired with a new Brake Actuator Assembly at **no charge** under the terms of this Warranty Enhancement Program.

- The **Primary Coverage** offers warranty enhancement until December 31, 2017, regardless of mileage.
- After the Primary Coverage 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.

VIN #: _____

Date of First Use: _____

Peel and Stick Label onto the Owner's Warranty & Maintenance Guide

If you experience this condition, please contact any authorized Toyota dealer and make arrangements for diagnosis and, if applicable, repair.

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 repairs related to this 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.

**Warranty Enhancement Program
Frequently Asked Questions**






ZG1

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: How do I determine if my vehicle has a concern with the Brake Actuator Assembly?

A2: If the following warning lamps are illuminated, your vehicle may be experiencing a concern with the Brake Actuator Assembly that is covered by this warranty enhancement.

| | | | | |
|---|---|---|--|---|
|  |  |  |  |  |
| Master Warning Light (Red) | Brake Warning Light (Red) | Electronically Controlled Brake Warning (Yellow) | Anti-Lock Brake System (Yellow) | SLIP Indicator (Yellow) |

Please note: It is possible for the lights above to be illuminated and the condition not be related to this warranty enhancement program.

Q2a: What if the dealer performs diagnosis and determines that my vehicle does not have one of the conditions covered by this Warranty Enhancement Program?

A2a: The warning lights can be triggered due to conditions detected not specific to the brake actuator assembly. These additional conditions may require diagnosis or repairs not specifically covered by this Warranty Enhancement. Please be aware that, if the condition is not covered by this warranty enhancement, you may be responsible for the initial diagnostic fees and any other repairs you may decide to have performed. Any authorized Toyota Dealership can determine if a condition is covered by this Warranty Enhancement.

Q3: If my vehicle does not have one of these conditions, do I need to make an appointment with my dealership?

A3: No, you do not need to take your vehicle to a dealership unless your vehicle is exhibiting the conditions described in this letter. **If you have not experienced one of these conditions, please apply the sticker to your Owner's Warranty & Maintenance Guide booklet for future reference.**

Q4: Is the Warranty Enhancement Program coverage transferable if I sell my vehicle?

A4: Yes, this Warranty Enhancement coverage is fully transferrable to subsequent vehicle owners for the conditions and terms specified in the notification letter.

Q5: What should I do if my vehicle displays the warning indicators shown above?

A5: If you experience illumination of the brake system warning indicators shown above, please contact any authorized Toyota dealer at your earliest convenience and make arrangements for diagnosis and repair, if applicable.

Q6: How long will the repair take?

A6: If the condition is present on your vehicle, the repair for Highlander Hybrid vehicles will take approximately 2 hours and the repair for Prius vehicle will take approximately 4 hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time.

Q7: What if I have additional questions or concerns?

A7: 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?