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Product Quality and Service Support, Quality Compliance
August 26, 2010
Approved By: Bob Waltz

To: All Toyota Dealers
From: Toyota Customer Services

**Voluntary Safety Recall – Preliminary Notification – Filing of Defect Information Report
Certain 2005 through 2008 Toyota Corolla & Corolla Matrix 2WD Vehicles Equipped with a 1ZZ-FE
Engine Control Module (ECM)
*****URGENT*******

On Thursday, August 26, 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 vehicles.

Condition

- 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 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.

Involved Vehicles

- There are approximately 1.13 million vehicles covered by this voluntary Safety Recall

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

Please refer to the Q&A for addition details as to which vehicles are covered by this Safety Recall

Status

- Toyota is currently preparing remedy parts for this condition. We anticipate that preparations will be completed in November 2010.
 - *In the meantime*, Toyota will mail an interim owner notification beginning in mid-September 2010 advising owners of this Safety Recall and the fact that they will receive a second notice when parts become available. Customer will also be provided instructions for reimbursement consideration for those who have paid for ECM replacement prior to this campaign.
 - A second mailing, anticipated to begin in November, 2010, will be scheduled when replacement parts are available. The second notification will be phased over several months consistent with dealer capacity and parts availability. *Additional information (such as: Technical Instructions, Parts Ordering Information, etc.) will be provided once the remedy parts are available.*
- If a customer believes his/her vehicle has experienced ECM failure, he/she is asked to contact his/her local Toyota dealer for diagnosis and, if applicable, repair. *If this condition is confirmed, dealerships are requested to conduct the repair at **NO CHARGE** to the vehicle owner.*
 - ***Preliminary inspection instructions are attached and will be available on TIS.***
 - Toyota will have a limited quantity of replacement ECM's available to ensure customer satisfaction until the remedy parts preparation is complete. These parts will be placed on Manual Allocation.
 - Operation Codes for ECM's replaced during this interim period will be provided shortly.
- For a customer who has not experienced this condition but does not feel comfortable driving the vehicle please instruct them to contact their local dealer or the Toyota Customer Experience Center.
 - We request that dealers work with the customers and answer any questions they may have. A Q&A is attached.
 - In the event the customer's concerns are not alleviated, please contact your DSPM.
 - ***VINs will be loaded on TIS starting Thursday (8/26/2010) morning (Pacific Time).***

Customer and Media Contacts

- A Q&A has been attached for your use in the event you receive a customer contact. If a customer has further questions, please direct the inquiry to the Toyota Customer Experience Center at 1-800-331-4331.
- If you are a dealership associate and have any questions, please contact your District Service/Parts Manager.
- ***In the event you are contacted by the News media***, it is imperative that all media contacts (local and national) receive a consistent message. Please direct all media contacts to Brian Lyons (310) 468-2552 or John Hanson (310) 468-4718, in Toyota Corporate Communications. (Please do not provide these numbers to customers or call if you are a dealer associate. Please provide these contacts to only media associates.)



**Voluntary Safety Recall Campaign
Certain '05 through '08 Toyota Corolla and Corolla Matrix 2WD Vehicles Equipped with a 1ZZ-FE Engine
Engine Control Module (ECM)**

Q1: What is the condition?

A1: 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 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.

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-GE engine covered by this Safety Recall?

A1c: No. A different ECM is installed in Corolla and Corolla Matrix vehicles equipped with a 2ZZ-GE 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: Toyota is currently preparing replacement parts. We anticipate that preparations will be completed in November, 2010. In the meantime, Toyota will mail an interim owner notification beginning in the middle of September 2010 to advise owners of this recall and the fact that they will receive a future notice when parts become available to complete repairs. They will also be advised of Toyota's reimbursement plan for those who may have paid for ECM replacement prior to this campaign.

The second mailing will be scheduled when replacement parts are available.

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

A4a: The second owner notification will begin mailing in November 2010, advising owners that the replacement parts are available.

Q4b: If a vehicle is repaired prior to November, 2010, will it need to be returned for the remedy?

A4b: No. The vehicle will be repaired with a remedy ECM which is currently available in limited quantities.

Q5: Which and how many vehicles are involved?

A5: There are approximately 1.13 million Corolla and Corolla Matrix (2005 through 2008 model year) vehicles covered by this voluntary Safety Recall.

	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

Q6: What is the production period of the affected vehicles?

A6: The vehicles covered by this Safety Recall were produced from April, 2004 to January, 2008.

Q7: When will the preparations for the replacement parts be completed?

A7: Toyota anticipates replacement parts preparations will be completed in November 2010.

Q7a: What will the remedy entail?

A7a: The ECM covered by the Safety Recall will be replaced. The ECM replacement will be conducted at **NO CHARGE** to the owner.

Q7b: What if a customer has concerns about driving the vehicle until the remedy is available?

A7b: If a customer is concerned about driving the vehicle, he/she is asked to please contact the local Toyota dealer or the Toyota Customer Experience Center.

The Toyota Customer Experience Center can be reached 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 Standard Time.

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
Corolla '05 – '08	4-Door Sedan CE	4 Cylinder 1ZZ-FE	4AT / 5MT
	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
	4-Door Wagon XR	4 Cylinder 1ZZ-FE	4AT / 5MT

Vehicles Not Covered

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

Q9: What if the customer believes that the vehicle has experienced ECM failure before the remedy is available.

A9: If a customer believes the vehicle has experienced ECM failure, he or she is asked to contact the local Toyota dealer for diagnosis and if applicable repair. If this condition is confirmed, the repair will be conducted at **NO CHARGE** to the vehicle owner.

Q10: What if an owner has previously paid for the replacement of the ECM to address this specific condition?

A10: 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.

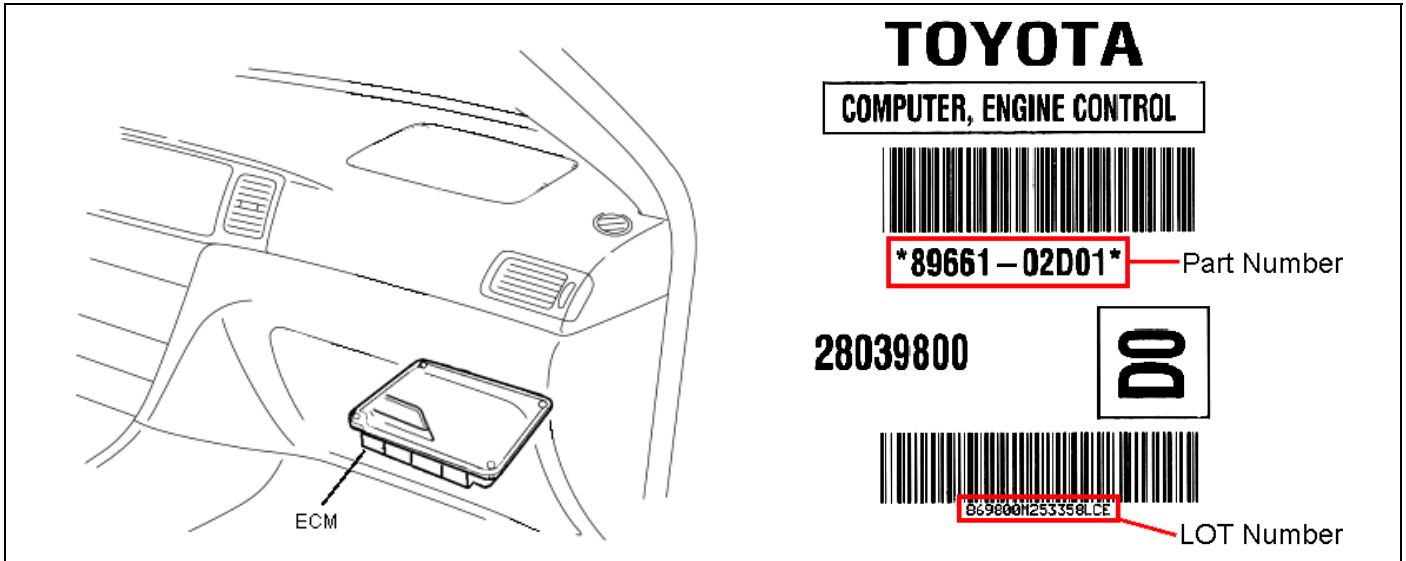
Q11: Have there been any accidents reported?

A11: There are three unconfirmed accidents alleged to be related to this condition. One of the accidents reported a minor injury.

Q12: What if an owner has additional questions or concerns?

A12: 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 Standard Time.

ECM PART NUMBER AND/OR LOT NUMBER INSPECTION FOR 2005 THROUGH 2008 COROLLA AND MATRIX EQUIPPED WITH A 1ZZ-FE ENGINE AND TWO WHEEL DRIVE



1. Locate the ECM under the glove box compartment.
2. Confirm the ECM part number to determine the required action.

Part Number	Action
89661-0112#	Replace the ECM
89661-0113#	Replace the ECM
89661-02C0#	Replace the ECM
89661-02C1#	Replace the ECM
89661-02C9#	Replace the ECM
89661-02D0#	Replace the ECM
89661-02D1#	Replace the ECM
89661-02D4#	Replace the ECM
89661-02D5#	Replace the ECM
89661-02K10	Replace the ECM
89661-02K11	Confirm the LOT Number
89661-02K12	No further action required
89661-02K20	Replace the ECM
89661-02K21	Confirm the LOT Number
89661-02K22	No further action required
89661-02K30	Replace the ECM
89661-02K31	Confirm the LOT Number
89661-02K32	No further action required

Part Number	Action
89661-02K40	Replace the ECM
89661-02K41	Confirm the LOT Number
89661-02K42	No further action required
89661-02K50	Replace the ECM
89661-02K51	Confirm the LOT Number
89661-02K52	No further action required
89661-02Q90	Confirm the LOT Number
89661-02Q91	No further action required
89661-02R00	Confirm the LOT Number
89661-02R01	No further action required
89661-02R10	Confirm the LOT Number
89661-02R11	No further action required
89661-02R40	Confirm the LOT Number
89661-02R41	No further action required
89661-02R50	Confirm the LOT Number
89661-02R51	No further action required
89661-0Z04#	Replace the ECM

- Can be any number

3. Confirm the LOT number (if required)

- Use the 9th through 12th digits as highlighted in the example shown, 869800M2 **5335**8LCE.

For OK LOT Numbers 7227 and higher:

- No further action required.

For NG LOT Numbers 7226 and lower:

- Replace the ECM.