Original Publication Date: March 6, 2018

- To: Toyota Dealer Principals, General Managers, Service Managers, and Parts Managers at Dealers Involved in Mobile Repair Pilot
- Subject: Mobile Repair Program Available for Vehicles Included in Safety Recall DSF, E04, and F0L

In our continuing efforts to maximize completion rates for Safety Recalls DSF, E04, and F0L, Toyota is piloting a Mobile Repair program for vehicles included in these Safety Recalls.

#### Specific information for GST pilot dealers involvement is provided below.

#### **Background**

TMNA and GST share a goal of increasing completion rates for safety recalls. The Takata recall is the largest recall in automotive history and has created unprecedented challenges for vehicle manufacturers to repair the affected vehicles. In an effort to maximize completion rates, TMNA is identifying new and innovative ways to reach customers and repair the vehicles involved in this recall. One new approach being evaluated is mobile repair. Repairing vehicles remotely presents a new option for customers unable or unwilling to visit a dealer for recall repairs.

TMNA has identified a vendor, AER Manufacturing, to perform Safety Recalls DSF, E04, and F0L on all vehicles affected by these specific campaigns in the field (e.g., customer homes, used car lots, vehicle auctions, etc.). Vehicles involved in Takata recall designations not listed are required to be repaired by a dealer. GST and TMNA are partnering in evaluating a pilot activity with this vendor. Your dealership has been identified as a candidate for this pilot activity.

#### Pilot Program Overview

AER will repair vehicles affected by DSF, E04, and F0L on behalf of a Toyota dealer as sublet work. There is currently a limited number of AER technicians available in your dealer's area. They will repair vehicles outside of dealerships in places such as used car lots, vehicle auctions, customers' homes or places of business, for customer convenience. This pilot program is the result of feedback from customers who cannot, or will not, able to bring their vehicles to a dealer for repair. This is an excellent opportunity for improved customer satisfaction and increased completion rates.

AER can be referred to repair a customer vehicle in several ways:

- The first process is by a dealer who identifies a customer through their own outreach but cannot successfully schedule and complete the campaign. In these cases, the dealer can refer the customer to AER. The dealer provides the customer with AER's toll free phone number to schedule the repair. This phone number is 855-206-2827. It is highly recommended that the dealership initiate the call to AER and provide a "warm transfer" to the AER representative.
- Customers will also be referred to AER through Toyota's outreach efforts through the national outreach vendor. After a call agent has exhausted all possible options to successfully transfer a customer to a dealership to schedule the repair, they may refer the customer to AER in these instances. The national outreach vendor agent would transfer the customer to the same number a GST dealer would.
- The most common method is for AER to work with used car lots and vehicle auctions in these markets to identify used Toyota vehicles with these Safety recalls still open. They will then repair these vehicles at the used car lots and vehicle auctions.

Once the repair is performed, AER will provide a sublet invoice to the referring dealer or closest participating dealer, depending on the circumstance, and the dealer will reimburse AER for the repair. The dealer will then submit a warranty claim and be reimbursed through the campaign claim process. Claim reimbursement under a sublet op code will cover the cost which the dealer pays AER and administrative fees for the dealer. Sufficient funds have been allocated in the sublet op code to ensure that dealers are paid for parts and labor at the appropriate rate for dealer-repaired Takata campaign warranty claims. Additional details are provided in the warranty reimbursement section.

#### **Pilot Dealer Selection**

Your dealer has been selected for the pilot program evaluation. This pilot program is only available for Toyota dealers selected for program evaluation. Based on the results of this pilot, expansion of the program will be considered for additional dealers.

#### **Condition**

For more information on the specific Takata recalls covered by this pilot activity, please refer to the Dealer Letters available on TIS.

#### <u>Remedy</u>

AER is being utilized to replace the affected airbag inflator at no charge to the vehicle owner in the field (e.g., customer homes, used car lots, vehicle auctions, etc.). **NOTE**: For certain models, the front passenger airbag assembly may be replaced. Only vehicles covered by campaigns DSF, E04, and F0L will be eligible to have the repair performed by the mobile repair pilot. Vehicles involved in Takata recall designations not listed are required to be repaired by a dealer.

#### Pilot Contract

Each dealer selected for this pilot program will be required to sign the agreement included in this dealer package to participate in the pilot. The agreement is between your dealership and AER. This agreement further discusses the program details and your degree of involvement.

#### **Technician Training Requirements**

AER currently hires ASE certified technicians for these repairs with industry experience. These technicians will be required to complete specialized training provided by the Quality Compliance team at TMNA headquarters. After an AER technician has successfully completed the Takata repair specialized training, TMNA will consider them authorized to perform the Takata repair.

#### **Remedy Procedures**

AER will follow the technical instructions when performing these Safety recall repairs, and utilize the scanning application as required by these campaigns. They will also provide vehicle inspection results and a copy of the health check to the dealership with a copy of the invoice.

#### **Ancillary Damage**

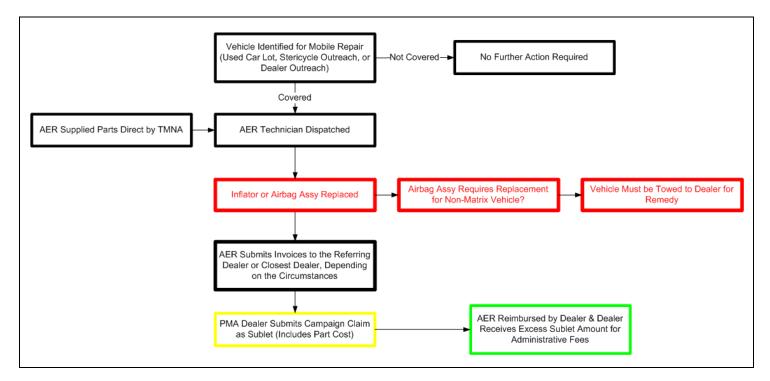
Based on the current process for ancillary damage, during this pilot, if a customer complains of damage done to the vehicle during the repair, TMNA is requesting these repairs to be submitted via goodwill. AER has performed the replacement of Takata inflators for other manufacturers on over 1,100 vehicles, replacing over 1,750 inflators without a case of ancillary damage. As a result, TMNA expects very few goodwill claims to be necessary.

The towing op code found in the DSF, E04, and F0L dealer letter can be utilized in these situations if necessary to bring the customer car to the dealer. A report can be written to document any damage and submitted to TMNA. If the damage is determined to be a direct result of the AER technicians workmanship, TMNA will hold AER responsible.

#### Parts Ordering Process

AER will purchase parts directly from TMNA in bulk. This will allow AER to service vehicles in the field without having to travel to a dealer for parts required for every repair. AER will include parts cost per vehicle on their invoice to dealers for repairs. The sublet OP Code dealers will claim include reimbursement for these parts costs; included in this reimbursement is the traditional parts markup for the dealer's reimbursement.

#### Warranty Reimbursement Procedure



• Dealers may claim the TMC approved sublet cost for mobile repair. The sublet cost for mobile repair may be claimed for each vehicle included in DSF, E04, and F0L as detailed below as sublet type "RR."

Model	Sublet Opcode - DSF	Sublet Opcode - E04	Sublet Opcode - F0L	Max \$ Amount Allowed on Claim
Corolla	DSFTMT	E04TMY	N/A	\$335.00
Corolla Matrix	DSFTMY	E04TMR	N/A	\$575.00
Sequoia/Tundra	DSFTMR	E04TMT	N/A	\$370.00
RAV4	N/A	N/A	LGG01A	\$225.00

- AER mobile repair invoices *MUST* be attached to all mobile repair claims. These claims may be subject to debit if AER invoice is not attached.
- Towing can be claimed under any of the sublet op codes for a maximum of \$250 as sublet type "TW" in the event of any repair complications that require the vehicle be brought to the dealership.
- In the event of any ancillary damage, further repairs will be required to have a report submitted and claims goodwilled. If the damage is determined to be caused by an AER employee, AER will be held responsible.

#### **Claim Filing Accuracy and Correction Requests**

It is the dealer's responsibility to file claims correctly and in a timely matter for these sublet Safety Recall repairs performed under the pilot program by AER. This claim filing information is used by Toyota for various government reporting activities; therefore, claim filing accuracy is crucial. If a claim has been filed using an incorrect opcode, or if a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin <u>PRO17-03</u> to correct the claim.

#### Invoice Payment

It is the dealer's responsibility to pay invoices for repairs performed by AER during this pilot program. The dealer will be reimbursed through the campaign claim submission process. Issues with delays in payment to AER may result in a dealership being removed from the pilot program.

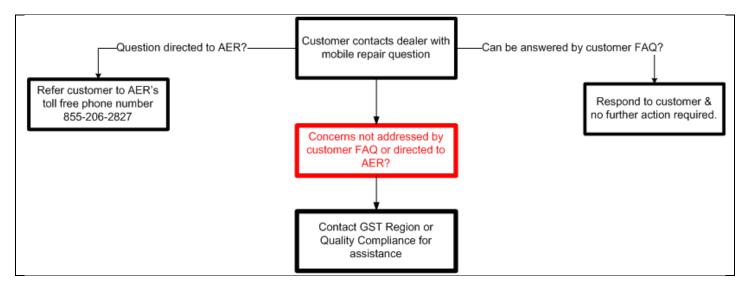
**NOTE:** Please communicate the details of this program and invoice responsibilities to the designated parties within your dealer responsible for AER invoices. The person in your dealership responsible for payment of AER invoices should have his/her name and contact information included within the dealer agreement document.

#### 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.

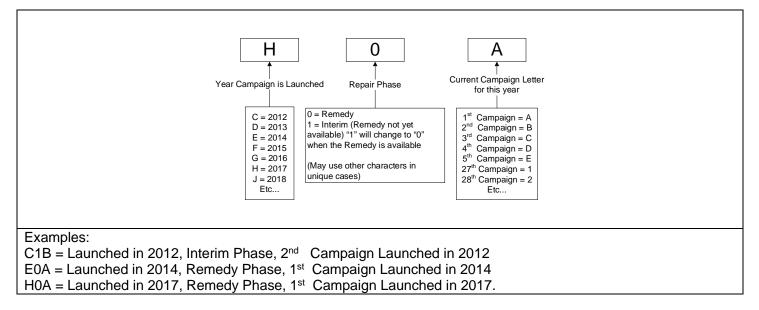
#### **Customer Contacts**

Customers who are referred to AER may contact your dealership with questions regarding the pilot mobile repair program for these Safety Recalls. Please welcome them to your dealership and answer any questions that they may have. A customer Q&A is provided to assure a consistent message is communicated to customers. Also, refer to the escalation process guidelines shown below for further details.



Customers with additional questions or concerns may also 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 pilot program for these Safety Recalls.

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

#### Mobile Repair Program Available for Vehicles Included in Safety Recall DSF, E04, and F0L

#### Dealer Frequently Asked Questions Original Publication Date: March 6, 2018

In our continuing efforts to maximize completion rates for Safety Recalls DSF, E04, and F0L, Toyota is piloting a Mobile Repair program for vehicles included in these Safety Recalls.

We are providing the following information to keep you informed of the details specific to this pilot program. Please refer any AER specific questions to AER's toll free phone number 855-206-2827. Please reach out to your GST region contacts, or to Quality\_Compliance@toyota.com, if there are questions not addressed by this FAQ or that AER cannot answer.

#### **Background**

TMNA has identified a vendor, AER Manufacturing, to perform Safety Recalls DSF, E04, and F0L on affected vehicles in the field (e.g., customer homes, used car lots, vehicle auctions, etc.). Due to the GST region's location, GST and TMNA are partnering in evaluating a pilot activity with this vendor. Your dealership has been identified as a candidate for this pilot activity.

#### Q1: What is the Takata mobile repair pilot?

A1: AER will repair vehicles affected by DSF, E04, and F0L on behalf of a Toyota dealer as sublet work. There is currently a limited number of AER technicians available in your dealer's area. They will repair vehicles outside of dealerships in places such as used car lots, vehicle auctions, customers' homes or places of business, for customer convenience. This pilot program is the result of feedback from customers who cannot, or will not, be able to bring their vehicles to a dealer for repair. This is an excellent opportunity for improved customer satisfaction and increased completion rates.

#### Q1a: Who is AER Manufacturing?

A1a: AER is a vendor already utilized for mobile repairs by other manufacturers affected by the Takata recalls.

#### Q1b: How will the mobile repair process be initiated?

A1b: AER can be referred to repair a customer vehicle by pilot dealers, Toyota's outreach vendor, or by other means. AER will also repair vehicles at used car lots/vehicle auctions.

#### Q2: How will AER be reimbursed for these repairs?

A2: AER will invoice the referring dealer or closest participating dealer, depending on the circumstance, for the labor and parts costs for each repair performed.

#### Q2a: How will my dealer receive reimbursement for repair costs paid to AER?

A2a: These costs can be claimed as a sublet under the applicable mobile repair opcode. The amount allowed to be claimed under the sublet op codes will also provide reimbursement to the dealer for administrative fees and parts markup.

#### Q2b: Will this complete the campaign?

A2b: Yes, this will close the campaign in TIS.

#### Q3: Why are all dealers not included in this pilot program?

A3: To best evaluate this program TMNA and GST are piloting this program among a select group of dealers. Based on the results of this pilot, expansion of the program will be considered for additional dealers.

#### Q4: My dealer has been selected for the pilot program. What steps are necessary to enroll in the program?

A4: Provide a completed copy of the dealer agreement document to the requested contacts.

#### Q4a: Where is the dealer agreement located?

A4a: This document is attached to the dealer letter.

#### Q5: Where can I find more information about the Takata recalls, and the affected vehicles involved?

A5: Refer to the dealer letters on TIS.

#### Q5a: Are all Takata campaigns available in this pilot program?

A5a: No, only the campaigns DSF, E04, and F0L are included in this pilot program.

## Q5b: Are all models in the campaigns available for mobile repair (DSF, E04, and F0L) eligible for repair in this pilot program?

A5b: All vehicles covered by the campaigns DSF, E04, and F0L are eligible for repair in this pilot program.

#### Q6: What are the training requirements of AER technicians performing these repairs?

A6: AER currently hires ASE certified technicians for these repairs with industry experience. These technicians will be required to complete specialized training provided by the Quality Compliance team at TMNA headquarters. After an AER technician has successfully completed the Takata repair specialized training, TMNA will consider them authorized to perform the Takata repair.

#### Q7: How can my dealer request AER to perform a repair?

A7: Your dealership can transfer a customer to AER's toll free phone number to schedule the repair. This phone number is 855-206-2827.

#### Q8: Why did my dealership receive an invoice from AER, but did not refer the customer to AER?

A8: This indicates that AER has performed a repair on an affected vehicle closest to your dealership referred to them by Toyota's outreach efforts, or performed a repair at a used car lot/vehicle auction.

#### Q8a: Who will receive this invoice at my dealership?

A8a: The person designated by the pilot agreement document provided by your dealership.

#### Q9: How is it decided which dealer receives the right to claim an AER performed mobile repair?

A9: If the dealer referred the customer to AER, they will receive the invoice. If the repair was **NOT** referred by a dealership, AER will invoice the participating dealer closest to where the repair was performed.

#### Q10: What should my dealership do once an invoice is received from AER for a mobile repair?

A10: Pay the invoice costs to AER and submit a sublet campaign claim as detailed in the dealer letter for this pilot program.

#### Q11: What should my dealership do in the event of ancillary damage?

A11: Towing can be claimed under the sublet op code, if necessary, to bring the vehicle to the dealer for repair. Any ancillary damage repairs should be claimed as goodwill warranty, and a report should be written.

#### Q12: How does AER receive parts required by the repairs?

A12: AER purchases parts direct from TMNA.

#### Q12a: Why is my dealer invoiced for parts costs?

A12a: This allows AER to be reimbursed for parts handling.

#### Q12b: Will I be reimbursed for the parts costs my dealership is invoiced by AER?

A12b: Yes, the allowable sublet amount includes reimbursement to your dealership based on the parts markup recovered as if your dealer had performed the repair.

## Q13: Why will AER only replace Matrix vehicles airbag assemblies, and only inflators on all other models included in the pilot?

A13: The Matrix vehicle airbag assembly allows for removal of the cover and re-installation on the new airbag assembly. However, other models do not allow for removal of this cover. This cover matches the color of the dashboard, and as a result, there are several different part numbers for each non-Matrix model. AER will not have stock of these part numbers, and the airbag assembly will need to be replaced at the dealer.

#### Q13a: When is airbag assembly replacement required for non-Matrix vehicles?

A13a: During the scanning process, if the airbag assembly serial number is not recognized, or the barcode/serial number is missing or damaged, an inflator should not be installed. In these cases an airbag assembly is required to be replaced to complete the Safety Recall.

#### Q13b: What steps are necessary if airbag assembly replacement is required for non-Matrix vehicles?

A13b: The towing op code can be used to bring this vehicle to your dealer to have the airbag assembly replaced.

#### Q14: Why should my dealership support the mobile repair pilot?

A14: This program provides an opportunity to complete an important Safety Recall for customers unable or unwilling to visit dealerships. This program also provides an opportunity to repair vehicles at used car lots and vehicle auctions before further sale to a customer. This program will greatly impact customer satisfaction, and is mutually beneficial for your dealership.

#### Q15: What if I have additional questions or concerns?

A15: If you have additional questions or concerns, please contact your GST field staff, or quality\_complaince@toyota.com.

# ΤΟΥΟΤΑ

#### Mobile Repair Program Pilot Available for Vehicles Involved in Safety Recalls DSF, E04, and F0L

#### Customer Frequently Asked Questions Original Publication Date: March 6, 2018

In our continuing efforts to maximize completion rates for Safety Recalls, Toyota is piloting a Mobile Repair program for vehicles included for certain Takata Safety Recalls (DSF, E04, and F0L)

We are providing the following information to help with customer inquiries regarding details specific to this pilot program.

#### **Background**

Toyota has identified a vendor, AER Manufacturing, to perform certain Takata Safety Recalls (DSF, E04, and F0L) on involved vehicles in the field (e.g., customer homes, used car lots, vehicle auctions, etc.). The services offered in this pilot program are currently only available within specific areas. Specific dealers have been identified as candidates for this pilot activity, and certain customers in close proximity to these dealers may be offered this service.

#### Q1: What is the Takata mobile repair pilot?

A1: AER will repair vehicles affected by certain Takata Safety Recalls (DSF, E04, and F0L) on behalf of a Toyota dealer. There is currently a limited number of AER technicians available in specific areas. They will repair vehicles outside of dealerships in places such as customers' homes or places of business, for customer convenience. This pilot program is the result of feedback from customers who cannot, or will not, be able to bring their vehicles to a dealer for repair. This is an excellent opportunity for improved customer satisfaction and increased completion rates.

#### Q1a: Who is AER Manufacturing?

A1a: AER is a vendor approved by Toyota to perform mobile repairs.

#### Q1b: How will the mobile repair process be initiated?

A1b: AER can be referred to repair a customer vehicle by pilot dealers, Toyota's Recall Resolution Team, or by other means.

#### Q2: Will I be responsible for the cost of these repairs?

A2: AER will perform these repairs at **NO CHARGE** to you.

#### Q3: Why will AER not repair my vehicle in this pilot program due to my location?

A3: Currently AER has a limited number of technicians in the Dallas-Fort Worth (DFW) area approved by Toyota to perform these repairs Due to your location, we are unable to provide this repair option to you. Based on the results of this pilot, expansion to additional areas will be considered.

#### Q4: My vehicle is involved in a Takata recall, but AER will not perform the repair?

A4: AER is only repairing vehicles included in certain Takata Safety Recalls (DSF, E04, and F0L). All other Takata campaigns are required to be completed by a dealer due to the differences in the repair procedures.

### Q4a: Are all models in the certain Takata Safety Recalls available for mobile repair (DSF, E04, and F0L) eligible for repair in this pilot program?

A4a: All vehicles covered by the certain Takata Safety Recalls (DSF, E04, and F0L) are eligible for repair in this pilot program.

#### Q4b: Where can I find more information about the Takata recalls and the affected vehicles involved?

A4b: Customers can also find additional information on the Takata recalls by visiting www.toyota.com/recall/takata.

#### Q5: Will my vehicle need to be taken to the dealer for repair under this pilot program?

A5: No. However, if the serial number on the airbag is not legible or not recognized by Toyota systems, the vehicle must go the dealer to have the airbag assembly replaced. AER will only perform the campaign if the airbag serial number is legible and recognized by Toyota systems.

### Q5a: Will I be responsible for the costs of the recall remedy if AER determines that they cannot perform the repair?

A5a: No, your local authorized Toyota dealer will perform the remedy at **NO CHARGE** to you.

#### Q5b: Will vehicle towing be offered in these cases?

A5b: Yes, your local authorized Toyota dealer will coordinate towing at **NO CHARGE** to you.

#### Q5b: Will vehicle rental be offered in these cases while the remedy is performed?

A5b: Yes, your local authorized Toyota dealer will coordinate a loaner vehicle at **NO CHARGE** to you.

### Q6: My SRS malfunction indicator light is illuminated, and/or other diagnostic trouble codes are set; will this repair correct this condition?

A6: No. This repair will not correct your malfunction indicator light illuminated condition, and/or other diagnostic trouble codes set. This could indicate a different problem with your airbag system. AER will advise you about these non-recall related conditions before performing the repair. In some cases, depending on the condition, AER may not be able to perform the recall repair. You should take your vehicle to a dealer to determine the cause of the condition and have it repaired, if necessary, to assure proper operation of your airbag system. The recall remedy will be FREE to you, but repair of other conditions will be your responsibility.

#### Q7: If AER cannot service my vehicle, how can I get this important Safety Recall completed?

A7: Your local authorized Toyota dealer will perform the remedy at **NO CHARGE** to you.

#### Q8: What should I do if there is damage to my vehicle during the repair caused by the AER technician?

A8: AER will contact your local authorized Toyota dealer for further repairs at **NO CHARGE** to you.

#### Q9: How can I request mobile repair?

A9: If your local authorized Toyota dealer is part of the pilot program, they can refer you to AER's toll free number to schedule an appointment if they cannot schedule you at their dealer.

#### Q10: What if I have additional questions or concerns?

A10: 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.

### TMNA Authorized Safety Recall Mobile Installer Pilot Program

AER Manufacturing is excited to announce the Safety Recall Installer Pilot Program. This program is a joint effort with Toyota to assist the Toyota Dealers with installing the airbag recalls. This partnership will not only insure the safety of more Toyota drivers, but will also help to build customer satisfaction in the vehicles. Our service is free to dealer and also comes with a few bonuses. Below is an overview of the services.

- Assist dealer compliance in the dealer trade area.
- AER will complete the recall as requested by Toyota or Toyotas agent. AER call center and installation vans will engage local targeted customers, included but not limited to; used car lots; vehicles auctions, any and all other car retailers and retail customers.
- AER will provide the dealer with a 15 point service walk around inspection on consumer vehicles.
- AER will encourage the owner to visit the dealer for future service work and recalls.
- Relay dealer provided information to owner with owner's permission.
- AER will provide ASE certified techs, uniforms, tools, vans and "white glove service"
- AER will provide a call center to support dealer and customer inquiries.
- AER will provide all needed marketing materials.
- In the case of collateral damage, cracking of brittle dashboards, etc., Toyota will absorb the cost of replacement for the owner. Parts and or services will be obtained from the dealer as a warranty repair.

#### **Dealer Program Responsibilities and Support**

- Agree to sign an AER sublet agreement allowing AER to preform sublet repairs for their regional customer base.
- Complete and submit all Toyota required warranty processing on a timely manner. Warranty processing will be submitted as a 'sublet invoice' as per the guidelines of the Toyota warranty system requirements. A Customer signature will accompany all repairs.
- AER will electronically invoice each dealer for individual sublet repairs which will cover materials, labor, parts, and mobile installation travel time for all repairs. Invoicing to include, but not limited to customer name, address, vehicle license plate and VIN, process control form, with critical operations signed off, before and after digital photos if required, along with updated customer email and/or phone contact numbers for follow up (if customer agrees to provide new information to be shared with the dealership). Dealer receives a invoice from AER and creates RO to submit to Toyota. Toyota will pay the dealer for reimbursement to AER. Dealer will receive an administrative fee for each RO submitted to Toyota. <u>Toyota will pay the dealer for this service.</u>
- 1. AER will purchase the part from the Toyota. 2. After the repair AER will invoice the dealer for the: part at acquisition cost labor operation and the handling fee.
- Dealer will submit the Warranty RO within 5 working days to TMNA for the sublet repair.
- TMNA agrees to purchase from AER any unused sellable actuators at acquisition cost.

- Assist AER in the coordination of customer mobile installation repairs including but not limited to repair procedures, customer contact information, providing of additional service parts for the completion of a repair, and marketing of mobile services to their customers.
- Dealer Payment Terms from AER, net 45 days from statement date which is the 1st of the following month work was performed.

Our goal is to assist the Toyota Dealer and vehicle owners with this recall in a timely manner. A partnership is what it will take to make this success. Thank you for your support.

This document is an agreement between Toyota Dealers and AER. By signing below, you agree to fully support of the program.

Dealer	Code:		

Dealership Name: \_\_\_\_\_

Dealer Contact Email: \_\_\_\_\_

Dealer	Contact	Phone #:		

Dealer Warranty Labor Rate: \_\_\_\_\_

Signature: \_\_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

Please email Angela Bosshardt at <u>AngelaBosshardt@aermfg.com</u>.

855-206-2827

Fax# 469-208-4801

Thank you for your support, Wes Rogers Program Manager 214-717-3493 WesRogers@aermfg.com