

Original Publication Date: March 21, 2019

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

SAFETY RECALL J07 (Remedy Notice)**Certain 2019 Model Year Corolla Hatchback
Potential Loss of Power While Driving
NHTSA Recall No. 18V-901**

Model / Years	Production Period	Approximate Total Vehicles	Approximate Stop Sale Dealer Inventory
2019 Corolla Hatchback	Early August 2018 – Mid-October 2018	3,400	1,181

**STOP! DO NOT SELL NEW VEHICLES IN DEALER INVENTORY.***Refer to Dealer Inventory Procedures section for more details.*

On December 19, 2018, 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 2019 model year Corolla Hatchback vehicles.

Condition

In the involved vehicles, there is a possibility that the torque converter in the Continuously Variable Transmission (CVT) could fail. Under certain conditions this could result in a loss of motive power. Loss of motive power while driving at higher speeds could increase the risk of crash.

Remedy

Any authorized Toyota dealer will replace the transmission and torque converter with new parts not affected by this condition, **FREE OF CHARGE** to the customer.

Covered Vehicles

There are approximately 3,400 vehicles covered by this Safety Recall. Approximately 260 vehicles involved in this Safety Recall were distributed to Puerto Rico.

Owner Notification Date

Toyota will begin notifying customers in late March via the Notification application within the vehicle's head unit. Owner Letters, via first class mail, will commence after the notifications have been sent. A sample of the owner notification letter has been included for your reference.

Toyota makes significant effort to obtain current customer name and address information from each state through industry resources when mailing owner letters. In the event your dealership receives a notice for a vehicle that was sold prior to the Safety Recall announcement, it is the dealership's responsibility to forward the owner letter to the customer who purchased the vehicle.

Please note that only owners of the covered vehicles will be notified. If you are contacted by an owner who has not yet received a notification, please **verify eligibility by confirming through TIS prior to performing repairs**. Dealers should perform the repair as outlined in the Technical Instructions found on TIS.

Dealer Inventory Procedures

New Vehicles in Dealership Inventory

There are approximately 1,181 vehicles in new dealer inventory as of December 18, 2018.



Under Title 49, Section 30112 of the United States Code, a dealer cannot sell, offer for sale, or introduce or deliver for introduction in interstate commerce a new motor vehicle when it is aware that the vehicle does not comply with an applicable Federal Motor Vehicle Safety Standard or contains a defect related to motor vehicle safety. Further, 49 Code of Federal Regulations §577.13 requires us to provide the following advisory: It is a violation of Federal law for a dealer to deliver a new motor vehicle or any new or used item of motor vehicle equipment (including a tire) covered by this notification under a sale or lease until the defect or noncompliance is remedied.

Toyota reimburses dealers for flooring costs associated with new vehicles held in dealership inventory until the recall remedy becomes available. Toyota provides these flooring reimbursements at 60 day intervals. Toyota reserves the right to withhold or charge-back any flooring reimbursement funds that may have been paid to the dealer if it determines that a new vehicle subject to a safety recall was sold without first being remedied.

Vehicle Safety Recall completion should always be verified through TIS. We request your assistance to ensure involved vehicles are identified and not delivered prior to performing the remedy.

NOTE: Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily (<https://dealerdaily.toyota.com/>). The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

Inspection Reminder Mirror Hang Tags for Covered Vehicles in New Dealer Stock

To easily recognize vehicles involved in this Safety Recall, each dealership should utilize Inspection Reminder Hang Tags. Inside the vehicle's glove box are stickers containing the VIN. Apply one of these stickers to the hang tag and install the hang tag in the vehicle. A sample copy of the Inspection Reminder Hang Tag has been included for your reference.



NOTE: Dealerships can order hang tags from the Material Distribution Center (MDC).

Part Number	Description	Quantity
00411-140003	Inspection Mirror Hang Tag	25 Per Pack

Pre-Owned Vehicles in Dealer Inventory

To ensure customer satisfaction, Toyota requests that dealers complete this Safety Recall on any used vehicles currently in dealer inventory that are covered by this Safety Recall prior to customer delivery. However, if the campaign cannot be completed (for example, due to remedy parts availability), delivery of a covered vehicle is acceptable if disclosed to the customer that the vehicle is involved in a Safety Recall.

Toyota expects dealers to use the attached Customer Contact and Vehicle Disclosure Form to obtain vehicle buyer information. Dealers are expected to provide a copy of the completed form, along with the most current FAQ, to the vehicle buyer. Toyota and the dealer may use this information to contact the customer when the remedy becomes available.

Keep the completed form on file at the dealership and send a copy to quality_compliance@toyota.com. In the subject line of the e-mail, state "Disclosure Form J07" and include the VIN.

NOTE: Dealers can identify if any of their new and used inventory has any open campaigns in the Vehicle Inventory Summary available in Dealer Daily (<https://dealerdaily.toyota.com/>). The Vehicle Inventory Summary may take up to 4 hours to populate information for newly launched campaigns.

Toyota Certified Used Vehicle (TCUV)

The TCUV policy prohibits the certification of any vehicle with an outstanding Safety Recall, Special Service Campaign, or Limited Service Campaign. Thus, no affected units are to be designated, sold, or delivered as a TCUV until all applicable Safety Recalls, Special Service Campaigns, and Limited Service Campaigns have been completed on that vehicle.

Toyota Rent-A-Car (TRAC) & Service Loaners

Toyota requests that dealers remove all TRAC and Service Loaner vehicles from service that are covered by a Safety Recall unless the defect has been remedied.

Customer Handling, Parts Ordering, and Remedy Procedures

Customer Contacts

Customers who receive the owner letter may contact your dealership with questions regarding the letter and/or the Safety Recall. Please welcome them to your dealership and answer any questions that they may have. A Q&A is provided to assure a consistent message is communicated.

Customers with additional questions or concerns are asked to please 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.

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 Tania Saldana (859) 815-9968 in Toyota Corporate Communications. Please do not provide this number to customers. Please provide this contact only to media.

Parts Ordering Process - Non SET and GST Parts Ordering Process

It is possible that parts for this campaign are either required to be ordered in Campaign Part Order Request (CPOR) on TIS or have been placed on Manual Allocation Control (MAC) due to potential limited part availability. Please check the CPOR/MAC report on Dealer Daily for the most up-to-date parts ordering information.

All Safety Recall, Service Campaign (SSC/LSC) parts are eligible for the Monthly Parts Return Program. Please refer to PANT Bulletin [2011-087](#) for campaign parts that are currently returnable under the Monthly Parts Return Program and for additional details.

Remedy Parts Kit:

Part Number	Description	Quantity
04008-53112	Transaxle Assembly, CV w/Torque Converter	1
04008-60112*	CVT Repair Kit	1

*Refer to the Technical Instructions for a list of the items included in this kit.

Fluids and Materials:




Description	Part Number	Quantity per Vehicle
Toyota Genuine CVT Fluid FE	08886-02505	2 (8 liters)
Toyota Super Long Life Coolant	00272-SLLC2	2 (2 gallons)

Campaign Special Service Tools

In a separate shipment, which is scheduled to arrive at dealerships during the week of March 18, 2019, your dealership will be sent a package containing the special service tools necessary to perform this Safety Recall. When received, each package will have a fluorescent (green, orange, yellow, or pink) label like the sample shown below for easy identification.



Tools included in the package of special service tools:

Image	Description
	Hanger, Engine, No. 1
	Hanger, Engine, No. 2
	Bolt, Flange

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 Technician (Drivetrain)**
- **Expert Technician (Drivetrain)**
- **Master Technician**
- **Master Diagnostic Technician**

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

Refer to TIS for Technical Instructions on repair. Conduct all non-completed Safety Recalls and Service Campaigns on the vehicle during the time of appointment.

Repair Quality Confirmation

The repair quality of covered vehicles is extremely important to Toyota. To help ensure that all vehicles have the repair performed correctly, please designate at least one associate (someone other than the individual who performed the repair) to verify the repair quality of every vehicle prior to customer delivery.

Vehicles Emission Recall Proof of Correction Form (California only)

As this Safety Recall includes emission related parts, California dealers are requested to fill out the Vehicle Emissions Recall – Proof of Correction form after repairs have been completed. The vehicle owner may require this form for vehicle registration renewal. ***It is important to note that the forms are an official state document and blank forms must be secured to prevent misuse.*** Booklets can be ordered from the MDC (material number 00410-92007).

Please complete the form and provide it to the owner. The first non-completed VINs will be submitted to the California state DMV by October 31, 2019. If the vehicle owner’s warranty claim will not be processed and paid prior to this date, please be sure to complete a form and provide it to a California owner.

The image shows a form titled "Vehicle Emission Recall – Proof of Correction". It contains fields for License Number, Make, Year Model, Body Type, and Vehicle Identification Number. Below these are fields for Manufacturer, Recall Number, Dealer's Name, Address, City, State and Zip, Date, and Dealership's Authorized Signature. A note states: "The above described vehicle has been repaired, modified and/or equipped with new emission control devices to meet applicable California Emission Control Laws." At the bottom, it says "Return this certificate to DMV only when required – otherwise retain for your records." and includes a small logo.

Warranty Reimbursement Procedures

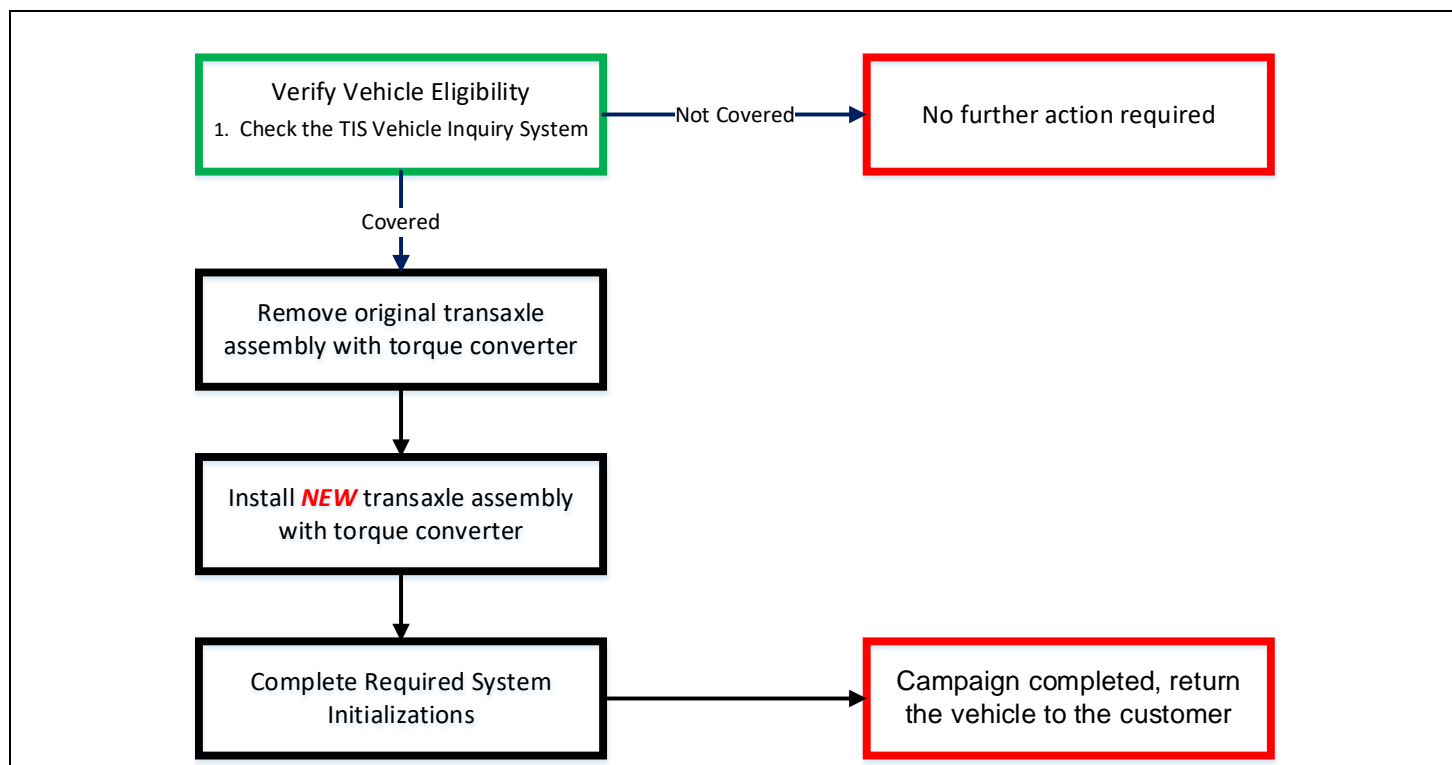
Loaner Vehicle Reimbursement Procedure

For customers who felt uncomfortable driving their vehicle and requested a loaner vehicle or alternative transportation during the interim phase of this Safety Recall, the cost of a loaner vehicle, or the cost of alternative transportation, can be claimed at a maximum rate of \$35.00 per day.

Op Code	Description
J07RT1	Vehicle Rental 1-30 Days
J07RT2	Vehicle Rental 31-60 Days

- **NOTE: Rental invoice *MUST* be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.**
- **Rentals greater than 4 days or \$35.00 per day requires DSPM authorization as per the Toyota Transportation Assistance Policy (TTAP).**

Warranty Reimbursement Procedure



Op Code	Description	Flat Rate Hours
J07001	Replace CVT Transmission	9.4 hrs/vehicle

- The flat rate times include 0.1 hours for administrative cost per unit for the dealership.

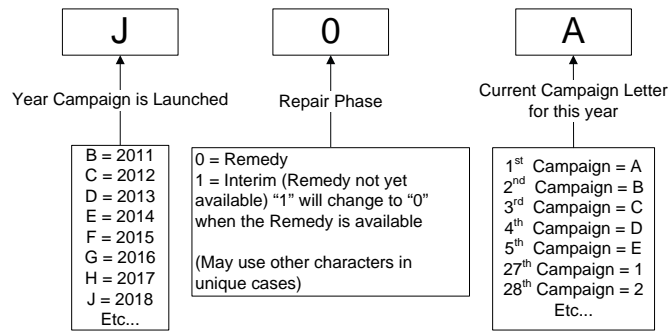
Sublets:

- Dealers may claim the cost for CVT Fluid and Super Long Life Coolant under sublet (type “OF”) for Op Code J07001 at a max cost of \$169.00 (\$50 for Coolant; \$119 for CVT Fluid).
- The cost of providing a loaner vehicle or alternative transportation through the Toyota Rent-A-Car (TRAC) can be claimed up to a maximum of 2 days at a maximum rate of \$35.00 per day as a sublet type “RT” under Op Code J07001.
 - Rental invoice *MUST* be attached to all rental claims. These claims may be subject to debit if rental invoice is not attached.**
- Towing can be claimed under Op Code J07001 at a maximum rate of \$250.00 per vehicle as sublet type “TW” in the event the customer requests vehicle pickup. Towing invoice is required to be attached to the claim.

Claim Filing Accuracy and Correction Requests

It is the dealer’s responsibility to file claims correctly for this Safety Recall. This claim filing information is used by Toyota for various government reporting activities. Therefore, claim filing accuracy is crucial. If it has been identified that a claim has been filed using an incorrect Op Code or a claim has been filed for an incorrect VIN, refer to Warranty Procedure Bulletin [PRO17-03](#) to correct the claim.

Campaign Designation / Phase Decoder



Examples:

C1B = Launched in 2012, Interim Phase, 2nd Campaign Launched in 2012
 E0A = Launched in 2014, Remedy Phase, 1st Campaign Launched in 2014
 J0A = Launched in 2018, Remedy Phase, 1st Campaign Launched in 2018.

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.



SAFETY RECALL J07 (Remedy Notice)

Certain 2019 Model Year Corolla Hatchback Potential Loss of Power While Driving

NHTSA Recall No. 18V-901

Frequently Asked Questions

Original Publication Date: March 21, 2019

Q1: What is the condition?

A1: In the involved vehicles, there is a possibility that the torque converter in the Continuously Variable Transmission (CVT) could fail. Under certain conditions this could result in a loss of motive power. Loss of motive power while driving at higher speeds could increase the risk of crash.

Q1a: What is the function of the torque converter?

A1a: The torque converter is a part that transfers engine power from the engine to the transmission.

Q2: Are there any warnings that this condition exists?

A2: No. However, if the condition occurs, a noise may be heard from the transmission.

Q3: What is Toyota going to do?

A3: Toyota will begin notifying customers in mid-March via the Notification application within the vehicle's head unit. Owner Letters, via first class mail, will commence after these notifications have been sent advising owners to make an appointment with their authorized Toyota dealer to have the transmission and torque converter replaced with new parts not affected by this condition, **FREE OF CHARGE**.

NOTE (Customers who live in the state of California):

The state of California requires the completion of Safety Recalls / Service Campaigns on emission related parts prior to vehicle registration renewal. In addition, the state requires that every vehicle must pass an emission test (SMOG Check) every two years and before it is sold. Without the completion of this **FREE** Safety Recall, the California Air Resources Board (CARB) will not allow your vehicle to be registered. State of California regulations require Toyota to provide the Department of Motor Vehicles with a record of all vehicles that have not had the Safety Recall completed.

Your Toyota dealer will provide you with a Vehicle Emissions Recall Proof of Correction Form after the campaign has been completed. Please ensure you retain this form, because the DMV may require that you supply proof that the campaign has been completed during your vehicle registration renewal process.

Q4: Which and how many vehicles are covered by this Safety Recall?

A4: There are approximately 3,400 vehicles covered by this Safety Recall.

Model Name	Model Year	Production Period
Corolla Hatchback	2019	Early August 2018 – Mid-October 2018

Q4a: Are there any other Lexus/Toyota/Scion vehicles covered by this Safety Recall in the United States?

A4a: No. There are no other Lexus/Toyota/Scion vehicles covered by this Safety Recall in the United States.

Q4b: Why is CH-R not involved in this Safety Recall in the United States?

A4b: CH-R is involved in other regions, but not the United States, because the transmission equipped in CH-R vehicles in the United States do not use the affected torque converters.

Q5: How long will the repair take?

A5: The repair takes approximately ten hours. However, depending upon the dealer's work schedule, it may be necessary to make the vehicle available for a longer period of time. Your dealer may provide you with a loaner vehicle, if needed.

Q6: Why is my 2019 model year Corolla Hatchback not included in this Safety Recall?

A6: Only certain 2019 model year Corolla Hatchback vehicles were equipped with a CVT containing an affected torque converter.

Q7: How does Toyota obtain my mailing information?

A7: 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.

Q8: What if I have additional questions or concerns?

A8: 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.

This notice applies to your vehicle:
[VIN]

URGENT SAFETY RECALL
This is an important Safety Recall.
The remedy will be performed
FREE OF CHARGE to you.

IMPORTANT SAFETY RECALL (*Remedy Notice*)

**Certain 2019 Model Year Corolla Hatchback Vehicles
Potential Loss of Power While Driving
NHTSA Recall No. 18V-901**

Dear (customer's First/Last name)

This notice is sent to you in accordance with the National Traffic and Motor Vehicle Safety Act. Toyota has decided that a defect, which relates to motor vehicle safety, exists in certain 2019 model year Corolla Hatchback vehicles.

You received this notice because our records, which are based primarily on state registration and title data, indicate that you are the current owner.

What is the condition?

In the involved vehicles, there is a possibility that the torque converter in the Continuously Variable Transmission (CVT) could fail. Under certain conditions this could result in a loss of motive power. **Loss of motive power while driving at higher speeds could increase the risk of crash.**

What will Toyota do?

Any authorized Toyota dealer will replace the transmission and torque converter with new parts not affected by this condition, **FREE OF CHARGE**.

This is an important Safety Recall.

The remedy will take approximately ten hours. However, depending on the dealer's work schedule, it may be necessary to make your vehicle available for a longer period of time. Your dealer may provide you with a loaner vehicle, if needed.

If the condition occurs, you may hear an abnormal noise from the transmission.

If the vehicle is experiencing the condition described and you are unable to drive the vehicle to the dealership, please contact your local authorized Toyota dealer who will arrange for vehicle pickup.

What should you do?

Please contact any authorized Toyota dealer to schedule an appointment to have the remedy performed as soon as possible. Your local Toyota dealer will be more than happy to answer any of your questions.

- ✓ To find a dealer near you, visit www.toyota.com/dealers.
- ✓ For more information on this and other Safety Recalls, including Frequently Asked Questions, visit www.toyota.com/recall. Input your full 17-digit Vehicle Identification Number (VIN) noted above to review information specific to your vehicle.
- ✓ If you require further assistance, you may 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.

What if you live in California and do not have this Safety Recall Campaign performed?

The state of California requires the completion of Safety Recalls / Service Campaigns on emission related parts prior to vehicle registration renewal. In addition, the state requires that every vehicle must pass an emission test (SMOG Check) every two years and before it is sold. Without the completion of this **FREE** Safety Recall Campaign, the California Air Resources Board (CARB) will not allow your vehicle to be registered. State of California Regulations require Toyota to provide the Department of Motor Vehicles with a record of all vehicles that have not had the Safety Recall Campaign completed.

Your Toyota dealer will provide you with a Vehicle Emissions Recall Proof of Correction Form after the campaign has been completed. Please ensure you retain this form, because the DMV may require that you supply proof that the campaign has been completed during your vehicle registration renewal process.

What if you are not the owner or operator of this vehicle?

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 lessee within ten days.

If you know the current owner or operator, please forward this letter to them.

If you would like to update your vehicle ownership or contact information, you may do so by registering at www.toyota.com/owners. You will need your full 17-digit Vehicle Identification Number (VIN) to input the new information.

If you believe that the dealer or Toyota has failed or is unable to remedy the defect within a reasonable time or without charge, you may submit a complaint to the Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue S.E., Washington, D.C. 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>.

We have sent this notice in the interest of your continued satisfaction with our products. We sincerely regret any inconvenience this condition may have caused you.

Thank you for driving a Toyota.

Sincerely,

Toyota Motor Sales, USA

