■ IMPORTANT UPDATE ►

The attached Technical Instructions have been updated. Refer to the details below.

DATE	TOPIC
February 6, 2020	 Tips for how to get a preliminary estimate approved by the website have been added to the Technical Instructions. The process for requesting Toyota to review a rejected preliminary estimate has been enhanced.
December 12, 2019	This document has been updated to clarify that only authorized Toyota dealerships are authorized to confirm if the paint peeling condition is covered by this program. However, after confirming that the paint peeling condition is covered by this program, the authorized Toyota dealership may choose to coordinate to have the repainting repair performed by a non-Toyota repair facility (e.g. third-party collision repair facility, body shop, etc).

The most recent update in the attached Technical Instructions will be highlighted with a red box.

Please review this notification with your staff to assure that all relevant personnel have been briefed regarding this subject.

Thank you for your cooperation.

TECHNICAL INSTRUCTIONS

Customer Support Program ZKG

Phase 2 – Customer Renotification and Repair Phase Repair is Now Available

Multiple Models and Model Years
Vehicles Painted with *Blizzard Pearl (070)* or *Super White (040)* Paint Color
Coverage for Peeling of Factory-Applied Paint

Technician Training Requirements

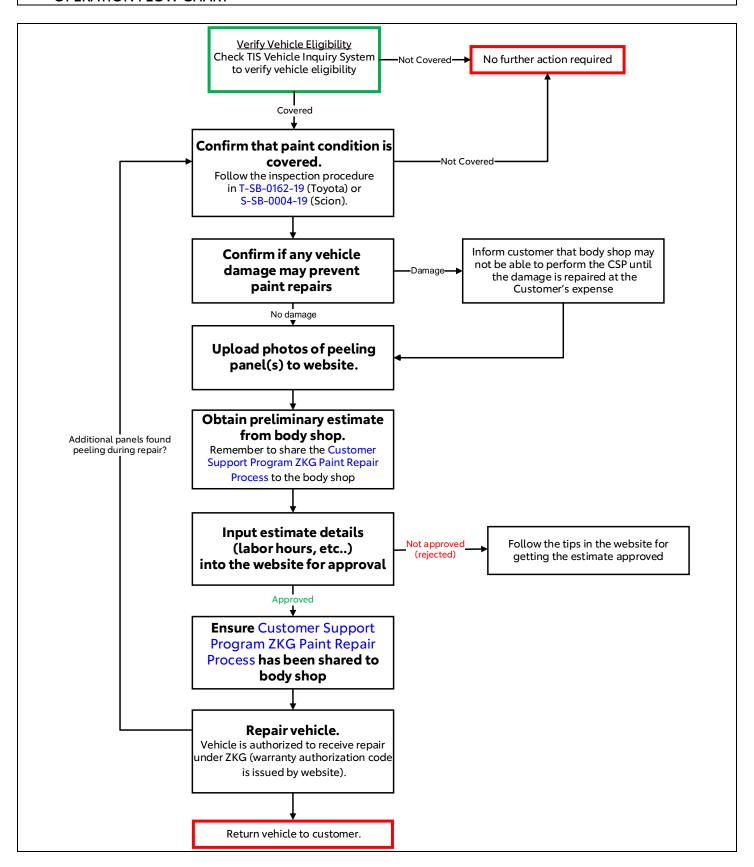
These technician training requirements only apply to the Toyota dealership technician performing the procedure in the Technical Instructions (i.e., they do not apply to the body shop technician refinishing the vehicle). The repair quality of covered vehicles is extremely important to Toyota. All dealership technicians performing the procedure in the Technical Instructions are required to successfully complete the most current version of the E-Learning course "Safety Recall and Service Campaign Essentials". To ensure that the Technical Instructions are performed correctly; technicians performing the Technical Instructions are required to currently hold at least one of the following certification levels:

- Certified Technician any Specialty
- Expert Technician any Specialty
- 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 the Technical Instructions at all times.

Customer Support Program ZKG – Technical Instructions

OPERATION FLOW CHART



I. IDENTIFICATION OF AFFECTED VEHICLES

Check the TIS Vehicle Inquiry System to confirm the VIN is involved in Customer Support Program ZKG.

II. CONFIRM THAT THE PAINT CONDITION IS COVERED BY THIS CUSTOMER SUPPORT PROGRAM

You must confirm if the paint peeling condition is covered by this Customer Support Program (ZKG).

1. Use the "Vehicle Inspection" procedure in T-SB-0162-19 (Toyota) or S-SB-0004-19 (Scion) to confirm that the paint peeling condition is covered by this Customer Support Program.

III. CONFIRM ANY VEHICLE DAMAGE THAT MAY PREVENT PAINT REPAIRS

Damage to the vehicle exterior (such as collision damage, deep scratches, dents, etc..) may prevent a repair facility from performing the paint repair covered by this Customer Support Program.

This Customer Support Program does not cover repair of such damage.

If any damage must be repaired prior to performing the paint repair covered by this Customer Support Program, the dealer may offer to repair the damage at the customer's expense.

- 1. Confirm if there is any damage. Examples of damage that might prevent paint repair are:
 - Collision damage.
 - Dents.
 - Deep scratches.
 - Deep rock chips.
- 2. If you believe the vehicle has damage that could prevent paint repair, inform the customer about this possibility prior to sending the vehicle to the body shop.
- 3. If the customer agrees to pay for such repair, the body shop must estimate this cost in a <u>separate</u> <u>preliminary estimate</u>. If the repair is included in the preliminary estimate for the Customer Support Program paint repair, the website will likely reject the estimate.

IV. UPLOAD PHOTOS OF PEELING PANEL(S) TO WEBSITE

You must upload photos of each metal panel that was confirmed to have paint peeling covered by this Customer Support Program (ZKG).

1. Log in to the Website: URL:

https://zkq-zll-inspection.imagespm.info/toyota

If accessing for the first time, use the default credentials below:

User ID: Your dealer code

Password: XXXXX

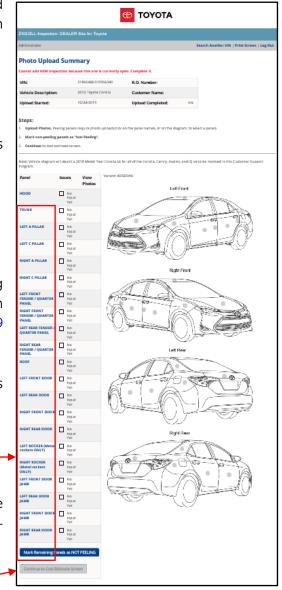
- 2. Enter the VIN.
- 3. Each peeling panel requires photo upload. Peeling covered by this program is identified using inspection procedure in T-SB-0162-19 (Toyota) or S-SB-0004-19 (Scion).

Click on each <u>peeling</u> panel and follow the instructions and examples in the website for taking photographs.

List of panels.

4. After you're finished uploading photos, continue to the "Preliminary Estimate" screen. Be sure to mark all non-peeling panels as "Not Peeling".

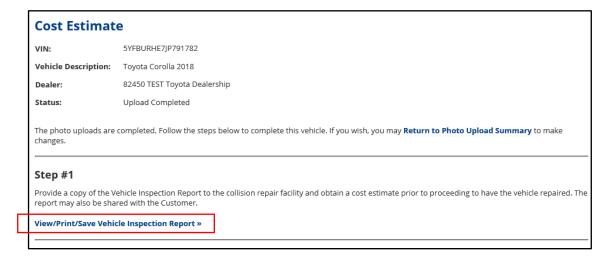
Preliminary Estimate screen button



V. OBTAIN PRELIMINARY ESTIMATE FROM BODY SHOP

You must obtain a preliminary estimate from a body shop for repairing the peeling. The labor hours and total cost from the preliminary estimate will be inputted into the website in later steps. The website will automatically approve (or deny) the count of hours and total cost based on the panels that were marked as peeling in the earlier steps.

- 1. Share Customer Support Program ZKG Paint Repair Process to Body Shop: It is critical to provide the Customer Support Program ZKG Paint Repair Process document to the body shop so that the body shop can write an accurate preliminary estimate and help ensure the vehicle is repaired correctly for this program.
- 2. Generate a Vehicle Inspection Report PDF from the Website. Use the website to generate a vehicle inspection report and provide it to the body shop for the purpose of writing a preliminary estimate. Only panels indicated as peeling in this report are authorized for repair by the body shop. The body shop requires this document to understand which panel are authorized for repair and which panels are not authorized for repair.



3. Obtain a preliminary estimate from the body shop. After your dealership has confirmed that the condition is covered by this program and completed the website process, your dealership may sublet the repainting repair to a non-Toyota certified repair facility (body shop, collision repair facility, etc.). A Toyota certified collision center is not required to perform the repainting repair.

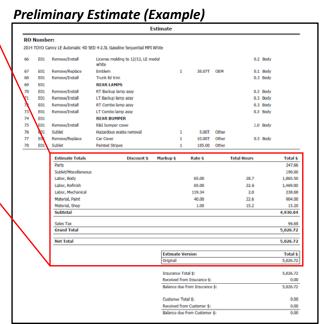
VI. INPUT ESTIMATE DETAILS INTO WEBSITE

The labor hours and total cost from the preliminary estimate must be inputted into the website. The website will automatically approve, or deny, the count of hours and total cost based on the panels that were marked as peeling in the earlier steps. This step is necessary to ensure the estimate is not written with excessive count of hours.

1. Find the "Estimate Totals" section near the bottom of the Preliminary Estimate.

Estimate Totals Section (Example) Estimate Totals Discount \$ Markup \$ Total Hours Total \$ Sublet/Miscellaneous 190.00 1,865.50 65.00 Labor, Body 65.00 1,469.00 Labor, Refinish 22.6 Labor, Mechanical 119.34 238 68 2.0 40.00 904.00 Material, Paint 22.6 Material, Shop 15.20 Subtotal 4.930.04 Sales Tax 96.68 **Grand Total** 5,026.72 Net Total 5,026.72 Estimate Version Total \$ 5,026.7 Original

- A: Body labor hours.
- B: Paint labor hours.
- C: Mechanical labor hours.
- D: Total cost (dollar amount).



- 2. Input the follwing information from the preliminary estimate into the website:
 - a) Total body labor hours.
 - b) Total paint labor hours.
 - c) Total mechanical labor hours*.
 - d) Total cost (dollar amount).
 - *Note: mechanical labor hours are uncommon and may not necessarily exist on every preliminary estiamte. In these cases, enter 0 hours or leave this section blank.
 - e) Upload the PDF copy of the preliminary estimate.
- 3. Click submit.

The website will either approve or reject the inputs based upon the panels that were marked as peeling. Approval is required before authorizing the repair to proceed.



INPUT ESTIMATE DETAILS INTO WEBSITE (Continued...)

Website Rejection: If the website rejects your inputs, follow the tips issued by the website to assist you with getting the estimate approved. For your reference, the website's tips are also listed below. Also, note that the website will provide you with a reason for rejection (see below example).



Tips for Getting the Preliminary Estimate Approved:

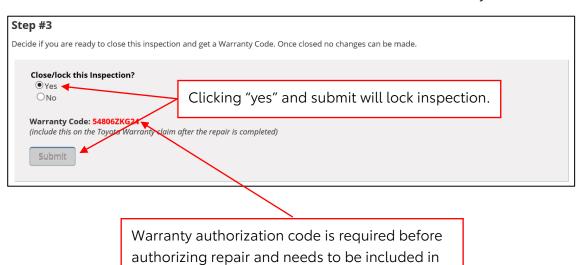
- 1. Ensure that you have entered the body and paint hours from the preliminary estimate correctly.
- 2. Ensure that you have uploaded photos, and marked as peeling, all of the panels that are actually peeling. The maximum allowable hours are based upon the panels that are marked as peeling. Only peeling panels may be marked as peeling. Do not mark panels as peeling for any other reason beyond that they are peeling (affected by the condition).
- 3. Ensure that the preliminary estimate doesn't include repairing (stripping OEM paint from) panels that are not marked as peeling in the website. Only peeling panels may be repaired and marked as peeling in the website.
 - Blending" non-affected panels is acceptable.
 - Repairing" (stripping OEM paint from) non-affected panels is not acceptable.
 - For example, if only the Left Rear Door is affected and correctly marked as peeling in the
 website, but the preliminary estimate also includes "repairing" the Left Front Door and
 Left Quarter Panel, the website will likely reject the estimate because the Left Front Door
 and Left Quarter Panel should not be "repaired". Note that those panels may be blended.
- **4.** Make sure the body labor time quoted to repair (remove OEM paint) from affected panels does not exceed the maximum times outlined on page 2 of the Customer Support Program Paint Repair Process.
- **5.** Ensure the preliminary estimate was created with industry standard estimating software. Note that CCC Estimating Solutions is most compatible. However, other estimating systems will work.
- **6.** Ask the body shop if it's possible to reduce the sum of the body+paint labor by the overage hours shown above. If they are unable to do so, proceed to "Toyota Internal Review" below.

Request for Toyota Internal Review

If the body shop is unable to reduce the labor hours by the overage stated above, you have the option to request Toyota to manually review the estimate by clicking below. The Toyota team member will manually review this estimate for any needed corrections (if necessary) and reply back to you with further instructions for getting the estimate approved.



After the website approves your estimate, proceed to step 3 in the website where you will be prompted to close/lock the inspection. After you decide to close/lock the inspection, you will be locked-out of modifying anything with your inspection and the website will issue a warranty authorization code which should be included in the CCR of the warranty claim.



CCR of warranty claim.

VII. ENSURE Customer Support Program ZKG Paint Repair Process HAS BEEN SHARED TO THE BODY SHOP

Before repair begins on the vehicle, it is critical to ensure the Customer Support Program ZKG Paint Repair Process has been shared to the body shop to ensure the proper repair process is used. This document should have already been shared in step V.

VIII. REPAIR VEHICLE

Send the vehicle to the body shop for repair once you have obtained a warranty authorization code from the website. A warranty authorization code is required before starting any repairs under this program.

Additional peeling during repair: In the RARE instance that additional panels are found to be peeling while the vehicle is undergoing repair, you must restart this process beginning with step #1 to ensure that the peeling is covered by this program and that pictures of the newly peeled panels get uploaded to the website. Follow any special prompts issued by the website.

IX. POST REPAIR PROCEDURES

Administrative Procedures: For instructions related to warranty claim filing, parts ordering, maximum claimable rental vehicle cost, etc.. refer to the Dealer Letter on TIS.

Comebacks on repaired panels: If a vehicle is exhibiting a paint quality issue (poor adhesion, flaking, clear coat peeling, etc..) on a panel that was repaired under this program, you should coordinate with the body shop who performed the repair to understand why the panel is peeling.

Previously non-affected panel now appears to be affected (peeling) after first repair on the other affected panels: If a previously non-affected (non-peeling) panel is now exhibiting the condition (peeling) and the vehicle has returned to the dealership for repair, this process should be <u>completely restarted</u>. If the peeling is confirmed to be covered by this program and if the vehicle has not yet expired from the program, the vehicle is eligible to have the panel repaired. Follow any special prompts the website issues you during the photo upload process.